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Regional Oral History Office
The Bancroft Library

University of California
Berkeley, California

History of Bay Area Philanthropy Project

Leslie Luttgens

ORGANIZATIONAL ASPECTS OF PHILANTHROPY:

SAN FRANCISCO BAY AREA, 1948-1988

With an Introduction by
Philip R. Lee

Interviews Conducted by
Gabrielle Morris
in 1988

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Leslie Luttgens with Robert J. Wert, president of Mills College (left) and Russel Lee. Circa 1960.

Cataloging Information

LUTTGENS, Leslie (b. 1922)

Civic leader

Organizational Aspects of Philanthropy: San Francisco Bay Area, 1948-1988, 1990, xiii, 328 pp.

Discussion of internal structure, interpersonal relations, and social policy concerns of Bay Area and national nonprofit organizations, as experienced by board member and officer of Junior League, Stanford and Presbyterian hospitals, San Francisco Public Library, United Way of the Bay Area and predecessors, Rosenberg Foundation, Northern California Grantmakers, Council on Foundations, President's (Reagan) Task Force on Private Sector Initiatives, and other corporate, governmental, and community bodies.

Introduction by Philip R. Lee, M.D., Director, Institute for Health Policy Studies, University of California, San Francisco.

Interviewed 1988 by Gabrielle Morris for the History of Bay Area Philanthropy Series. The Regional Oral History Office, The Bancroft Library, University of California, Berkeley.

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PREFACE

Northern California Grantmakers and the Regional Oral History Office of The Bancroft Library at the University of California at Berkeley are pleased to present this series of oral histories documenting the growth and development of Bay Area philanthropy during the last twenty-five years. It is our hope that these memoirs will both preserve a record of the experiences and philosophies of selected senior members of the philanthropic community, and encourage greater understanding and discussion of the traditions of charitable giving.

The starting point for this series was an earlier project of the Regional Oral History Office, completed in 1976, which documented Bay Area foundation history in the 1930s and 1940s, and the evolution of issues and leadership in the 1950s and 1960s. The current series focusses on the significant changes which have occurred since that time, including the tremendous growth in corporate giving, changes in the role of the government in supporting the arts and human services, and increased collaboration among grantmakers.

Selection of prospective interviewees for the project involved many hard choices among outstanding persons in Bay Area philanthropy. The final selection was made by The Bancroft Library and reflects the broad spectrum of grantmaking organizations and styles in the Bay Area. The guiding principal has been to preserve a record of the thinking and experience of men and women who have made significant contributions in shaping the philanthropic response to the many changes which have occurred over the last twenty-five years.

Overall guidance for the project has been provided by an advisory committee composed of representatives from the philanthropic community and the U.C. Berkeley faculty. The advisory committee is particularly indebted to Florette White Pomeroy and John R. May, whose enthusiasm, leadership and wise counsel made the project possible. The committee is also grateful to the twelve foundations and corporations which generously contributed the necessary financial support to conduct the project. Members of the advisory committee and the contributors are listed on the following pages.

The director for the project is Gabrielle Morris, who conducted the previous project on the history of Bay Area foundations. The project is under the supervision of Willa Baum, head of the Regional Oral History Office, which is an administrative unit of The Bancroft Library.

For the advisory committee,

Ruth Chance
Thomas Layton

September 1990
San Francisco, California

HISTORY OF BAY AREA PHILANTHROPY SERIES

- Morris M. Doyle, The Spirit and Morale of Private Philanthropy: Stanford University and the James Irvine Foundation, 1990
- Herman E. Gallegos, Equity and Diversity: Hispanics in the Nonprofit World, 1989.
- Roger W. Heyns, Collected Thoughts on Grantmaking and the Hewlett Foundation, 1989.
- Sally Lilienthal, Funding Prevention of Nuclear War, 1989.
- Leslie Luttgens, Organizational Aspects of Philanthropy: San Francisco Bay Area, 1948-1988, 1990.
- Robert Shetterly, East Bay Experiences in Corporate Social Responsibility, 1991.
- Mary C. Skaggs and Philip Jelley, Specialized Granting with National and International Impact, 1989.
- Rhoda H. and Richard M. Goldman, in process.
- Edward Nathan, in process.
- Charles Patterson, in process
- Madeleine Haas Russell, in process.
- Yori Wada, Working for Youth and Social Justice, at the YMCA, University of California, and Stulsaft Foundation, in process.
- Phyllis Wattis, in process.
- William Zellerbach, in process.

Bay Area Foundation History Series
June 1976

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John Rickard May, Building a Community Foundation

Volume II

Ruth Chance, At the Heart of Grants for Youth

Volume III

Daniel J. Koshland, Responding to the Flow of New Ideas in the Community
Philip S. Ehrlich, Sr., An Attorney's Twenty-Five Years of Philanthropic Service
Josephine Whitney Duveneck, Working for a Real Democracy with Children and Other Minority Groups
Marjorie Doran Elkus, Recollections of San Francisco Private Agencies and Foundations, 1935-1950
Dorothy W. Erskine, Environmental Quality and Planning: Continuity of Volunteer Leadership
Florence Richardson Wyckoff, A Volunteer Career, from the Arts and Education to Public Health Issues
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Ira DeVoyd Hall, Jr., Community Resources: Turning Ideas into Action
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For additional oral histories on philanthropy and nonprofit organizations, consult the Regional Oral History Office.

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The Regional Oral History Office would like to express its thanks to the following organizations whose encouragement and support have made possible the History of Bay Area Philanthropy Series.

Wallace Alexander Gerbode Foundation

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INTRODUCTION by Philip R. Lee

Leslie Luttgens has played an enormously important role in philanthropy in San Francisco in determining the shape, direction, and priorities for philanthropy, particularly with respect to the role of women and minorities. Leslie followed in the path of Caroline Charles, the pioneer rebel who opened the door. Caroline Charles served on the board of the Rosenberg Foundation for more than twenty years before she was asked to be president. She also served on the Stanford board of trustees. Although she never served on a corporate board, without her path-breaking efforts women would have continued to be excluded from major policy roles.

Leslie Luttgens consolidated the gains made by Caroline Charles and extended them dramatically. She served in a number of capacities with the Junior League and in other areas before moving up in the ranks in the United Way to become that organization's first woman president. The period of her presidency was a very unsettling time, with many changes on the horizon. Women employees were beginning to seek equal pay for equal work and, following the civil rights advances of the 1960s, many minority organizations were exerting increased pressures for funding. In the face of these changes and pressures, Leslie ably steered the United Way organization forward.

Leslie's many accomplishments also include being the first woman appointed to the McKesson board and the second to the Pacific Telesis and PG&E boards. In addition, she was elected president of the Rosenberg Foundation trustees and chair of the Council on Foundations. Indeed, she has become the institutional memory of the Rosenberg board, having served now for twenty-one years.

How has she accomplished so much? First of all, she has strong interpersonal skills and an exceptional talent for bringing people together with differing views and enabling them to reach consensus. Also, she often has been a bridge between the old and the new, between organizations within and outside the establishment. In addition, she has a very good political sense of how far one can move an issue. Quietly, without confrontation, persistent without being stubborn, always well organized and thoroughly prepared, she has managed to change the way many philanthropic organizations do business and to seed foundations with minority members and leaders. During her term as chair of the Council on Foundations, the first black person was selected as president. Also, after she joined the Rosenberg board, they selected the first Hispanic to serve on any major national board.

It was clear when Leslie first joined the Lee family in 1939 after the death of her mother and father that she was a winner. Leslie adapted to a family of strong individuals and very strong opinions with enthusiasm, warmth, understanding, and good humor. Her younger teenaged brothers, including myself, immediately fell in love with her, and she handled us with grace and lots of affection. She was a full participant in the life of the family, including musical events organized by our mother. Her voice was clear and on key--in sharp contrast to some of us. As a student at Stanford she was popular among students and faculty, and she was elected vice president of the student body. During her tenure, sororities were abolished because they failed to respond to the needs of the women students at Stanford. Leslie, herself a sorority member, understood the needs of women who were not admitted to those elitist institutions, and she provided the leadership that permitted a carefully considered and sensitive decision to be made.

Leslie's sensitivity to others is, in part born out of her own experience. Not only did she lose both of her parents as a teenager, she also lost her first child during a life-threatening illness in pregnancy. Leslie was introduced to Bill Luttgens by my brother Richard, both of whom were residents at San Francisco General Hospital. They were soon married and off to the Mayo Clinic where Bill took further advanced training. After the loss of their first child, they returned to San Francisco, where Bill went into practice and Leslie began community work with the Junior League. She began to expand and strengthen the deep and lasting friendships that she has had in San Francisco and Palo Alto. After their daughter, Lise, was born in 1953, Leslie spent time raising Lise and learning a great deal about her community through her involvement in the Junior League.

Family ties were strengthened during this period as well, as she and Bill made frequent weekend visits to the Lee family compound in the foothills behind the Stanford campus. They stayed in what we called the Bear Trap--a small, one-bedroom house with a kitchen--while Bill developed the vineyard that my dad always bragged about as one of his great accomplishments. The annual grape harvest festival was a focus of family gatherings for more than thirty years.

Leslie's experience with tragedy returned when Bill developed Parkinson's disease in the 1970s. Leslie was able to manage the household, support Bill, maintain a close relationship with her daughter Lise and the rest of the family, and continue her activities in the community. She was able to do this because of her very strong people orientation, her desire to serve the community, her extraordinary organizational skills, and her ability to keep learning. She continues to inform herself thoroughly by seeking out different views, listening to people, and reading an enormous amount of background material before she makes up her mind.

In John Gardner's book On Leadership^{*}, he describes many of the qualities that Leslie possesses: vision, a sense of where we need to go as a pluralistic society, great integrity, and values that are strongly but not rigidly held. In addition, she can work across disciplines, is a superb generalist, and has a very broad network that reaches across a wide range of people and organizations in the community. These qualities have made her one of the outstanding leaders in philanthropy in the Bay area during the past twenty years.

Philip R. Lee, Director
Institute for Health Policy Studies
School of Medicine, UC San Francisco

April 1990
San Francisco

^{*}New York: The Free Press, 1970.

INTERVIEW HISTORY--Leslie Luttgens

Leslie Langnecker Luttgens was invited to record her oral history for the Northern California Grantmakers History of Bay Area Philanthropy Project because of her many years of experience as a trustee of the Rosenberg Foundation, Northern California Grantmakers, and other grantmaking organizations. She has also been director of several major business corporations; as well as boardmember and officer of a remarkable array of local, regional, and national social service and policy groups. Her commentary provides a thoughtful, detailed view of key community organizations, their leadership, and the issues they faced in the San Francisco Bay Area from the late 1950s through the late 1980s.

The oral history is doubly interesting in that it carries forward the available record of changing times and styles in the Bay Area's charitable endeavors since the beginning of the century. Early in her career, Mrs. Luttgens worked closely with Caroline Charles, a distinguished civic leader from the 1940s through the 1970s. In an oral history recorded in 1974 and 1978,* Mrs. Charles in turn gives credit for her own introduction to community organization to Emma Moffat McLaughlin, whose indefatigable interest in the affairs of the Telegraph Hill Neighborhood Association, the Public Dance Hall Committee, and other causes of the 1920s and 1930s is documented in A Life in Community Service.**

Philanthropy in general has often been seen as a conventional, rather stratified and reclusive activity with little attention paid to the anxieties and aspirations of those receiving funding. From the accounts of Mrs. Luttgens and others in this series, it is clear that there is growing interest among givers in expanding the scope and effectiveness of their activities, including ever more individual and organizational input in making decisions on the use of available charitable dollars.

*The Action and Passion of Our Times, Regional Oral History Office, University of California, Berkeley, 1979.

**Emma Moffat McLaughlin, Regional Oral History Office, University of California, Berkeley, 1970.

Mrs. Luttgens is a dainty, energetic person who has carried a career-size load of civic activities since her student days at Stanford. Her particular interests are interpersonal relations and internal structure of nonprofits, complex topics on which she has worked hard and patiently to achieve the consensus she sees as essential for progress on tough issues.

In the volume, she describes her progress from the Junior League and the parents' association of her daughter's school, on to the creation of the Stanford Hospital Auxiliary and the San Francisco Education Fund, among others. She then goes through the chairs in the long-running evolution of the United Bay Area Crusade into the United Way of the Bay Area, on to the board and eventual presidency of the Rosenberg Foundation, and, concurrently, such august bodies as the Council on Foundations, the President's Task Force on Private Sector Initiatives, and the Business Leadership Task Force. Today she is an informal advisor to many individuals and groups. She is one of the people consulted by business, political, and civic leaders, as well as hopeful academic, social agency and grassroots activists, before a new idea is floated into public.

Through her discussion we learn, as she learned, how organizations and the community function, and how their structures, hierarchy, and missions are constantly overlapping and changing. Interestingly, all of these are traditionally structured bodies and yet, Mrs. Luttgens reports, they have all undergone significant changes in recent decades. She herself has been in the forefront in encouraging diversity and innovation in response to widespread social distress and vacillating public policy. A traditional person by experience and inclination, she is also seen as a pathbreaker; perhaps a pathbreaker because she so clearly embodies traditional views of order and responsibility.

Eight interviews were conducted with Mrs. Luttgens from June to October 1988. The sessions were tape-recorded in the bright, comfortable upstairs sitting room of her Pacific Heights home, with a view of San Francisco Bay in the background. She spoke easily with fluent recall of complex past issues, occasionally referring to a pile of organizational reports nearby for a name or date.

The tapes were transcribed and the transcript lightly edited in the Regional Oral History Office. As editing progressed, the transcript was sent to Mrs. Luttgens for review. As her busy schedule permitted, she read over the manuscript carefully, deleting several repetitious passages and checking various names and other details. She also supplied the photographs which illustrate the volume and selected publications relevant to organizations discussed, which are listed in the appendix and deposited in The Bancroft Library as supporting documents to the oral history.

Special thanks are due to the following persons for their assistance in planning and completing this oral history. Ruth Chance, for her encyclopedic memory of the people and events of Bay Area philanthropy; Kirke Wilson, for providing access to Rosenberg Foundation publications and for his illuminating comments on the culture of foundations; Professor Arlene Kaplan Daniels, for insights from her research on the significance of women volunteers in community life;* and Dr. Philip Lee, for providing an introduction that gives insight into Leslie Luttgens's early years and sets her accomplishments in the larger context of contemporary social concerns.

Gabrielle Morris
Interviewer-Editor

September 1990
Regional Oral History Office
University of California, Berkeley

*Arlene Kaplan Daniels, Invisible Careers: Women Civic Leaders from the Volunteer World, Chicago: University of Chicago Press, 1989.

BIOGRAPHICAL INFORMATION

(Please write clearly. Use black ink.)

Your full name Leslie Ferguson Langnecker Luttgens

Date of birth December 27, 1922 Birthplace Palo Alto, CA

Father's full name Harry Leslie Langnecker

Occupation Physician, faculty Stanford Medical School Birthplace Pennsylvania

Mother's full name Joan Rorine McDonald

Occupation Homemaker Birthplace Nova Scotia

Your spouse Dr. William F. Luttgens

Your children Elisabeth Lee Luttgens Santulli (Mrs. Thomas U. Santulli, Jr.)

Where did you grow up? Palo Alto and Stanford University campus

Present community San Francisco, CA

Education Miss Harker's School, Palo Alto High School,
Stanford University

Occupation(s) Civic leader, foundation trustee, corporate director

Areas of expertise Nonprofit community service, foundations,
business

Other interests or activities Music, wine, education, investments

Organizations in which you are active Rosenberg Foundation, Northern California Grantmakers, Private Industry Council of San Francisco, Strive for Five, San Franciscans Seeking Consensus, Mayor Agnos' Fiscal Advisory Committee, Hexcel Corp., McKesson Corp., Pacific Gas and Electric Co., Pacific Teleis Group and Pacific Bell, First Funds of America.

I PERSONAL BACKGROUND

[Date of Interview: June 22, 1988] ##

Family and Foster Parents

Morris: Let's start with a little bit of your personal background and early influences that may have contributed to your interest in community service.

Luttgens: I was born in Palo Alto, California, in what is now the Bowling Green but used to be the Palo Alto General Hospital. My father was a physician at Stanford Medical School, commuting to San Francisco where the medical school was. My mother died when I was four.

We had, first of all, an aunt and her daughter who lived with us as sort of a housekeeper, running the family, and then younger housekeepers over time as my sister and I became older, which I think was very wise, from my father's viewpoint, because we needed someone who was more of a companion than a caretaker. That sort of person was there.

My father died when I was fourteen and the estate was going to be administered by the American Trust Company, the predecessor of Wells Fargo. Dr. Russel Lee, who had founded the Palo Alto Medical Clinic and had been taking care of my father and had been a friend of the family, also my mother's doctor before she died, said, "Why don't you appoint George Barnett," who had been my father's best friend, "and me as your guardians," which my sister and I did.

We lived with the Lees, which was a marvelous experience because on the way to being two spoiled little girls we suddenly were thrown in with a family of four rambunctious boys and a

This symbol indicates the start of a new tape or tape segment. For a guide to the tapes, see page 315.

Luttgens: little sister. The last Lee child was a little girl which was a nice relationship.

We were treated just exactly like anybody else in the family. We were scolded when we should be, we were told that morning was not the time to sit around and dawdle but to get busy and to get things accomplished. It was a very work-ethic oriented atmosphere to be in which contributed to my later work-oriented philosophy.

When I went to Stanford Russ began to play an even more important role in my life. He had taken both my sister and me, along with other children, from time to time around in his car when he would make house calls. In between the house calls was a wonderful time to hear stories, talk about a variety of things. The dinner table was always very stimulating.

Morris: This was before he'd started the Palo Alto Clinic?

Luttgens: After.

Morris: And he was still making house calls?

Luttgens: Oh, yes. There were a lot of very exciting people around too at the Lee household, which was quite different than what I had experienced earlier where we led a very quiet life. My father coming home from Stanford every day and not having that much of a social life. So all of a sudden there was a lot more activity, which was fun, and a lot more was being asked of me and my sister, too.

Morris: Your sister's name is--

Luttgens: My sister died seven or eight years ago. Her name was Jane Stratte. She had been married to a urologist. They were divorced. Her youngest daughter and I are very close. She lives down the Peninsula and I see a great deal of her and her family.

Stanford Student Body President, 1942; Classmates

Luttgens: When I went to Stanford Russ was always, again, very supportive in what I did. When I thought about running for vice president of the student body at Stanford he said, "Of course you can do it. Do it." I did and I ran and was elected. It was a good experience for me. I learned how organizations work, and don't work sometimes.

Luttgens: It was wartime. I was class of '43 and war had broken out a year before. Many of the men were going to war, and this was the first time we were getting to do some community things as students. We went out to the beet fields and cut beets because the people that normally cut beets weren't around to do it. I must say some of the men resisted, they wanted to stay in the ivory tower as long as they could before they had to go off to war, which I understand. But at the same time there was much more of a sense of community at Stanford than there had been before.

Morris: This is because there were not enough people to harvest the beets?

Luttgens: That's right.

Morris: Sugar beets?

Luttgens: Sugar beets.

Morris: In the Palo Alto area?

Luttgens: Yes. Out toward Half Moon Bay, in that area.

So there was a lot to be done, and somehow we were getting a lot more involved in the local community.

Interestingly enough there were a lot of people. Ken Cuthbertson, who was president of the student body, and his wife Colleen who was vice president; he went on to be vice president for development at Stanford--ended up being an executive with the Irvine Foundation. He did a splendid job in both positions.

So those were friends that I knew for years and years. Adeline Jessup, whose husband Bruce was president of the student body two years ahead of me, was a later recipient, Dr. Bruce Jessup, of several Rosenberg grants and was somebody who was working with Florence Wyckoff down in the Valley, so there were a lot of interwoven bits.

In the Business World

Luttgens: After graduation--I had been told by a vice president of Standard Oil who was a friend of the father of one of my closest friends, that if I wanted a job to come and see him. I had graduated in political science and I thought I would like to go into personnel work. So I went up to see Vice President Lindsay Hanna and was told to go down to Room 100.

Luttgens: This was war time. The men, the boys had gone off to war. Young women started doing those beginning jobs that men had been doing as a result. I had four friends--the four of us had graduated at the same time--we were all messengering, carrying mail within big corporations as a way to learn about the corporation. One of them was at Del Monte [Packing Company], one of them was at Matson [Steamship Company].

I went down to Room 100 and I was assigned to mail delivery within Standard Oil. I stood it for about three weeks and it was just so unsatisfying that I went back down to them and I said, "Don't you have any place that's in a smaller setting?" They said, "You might try Arabian-American Oil [Company], which is across the street.

I went over to Arabian-American Oil. Those were the days when the pipeline was being built by Aramco. I started, not in the mail room but in the files, and the files were a perfectly fascinating place to be. This was my step to go into the personnel department, you understand. I realized you couldn't start out where you wanted to, even with my BA in political science at Stanford. [laughs]

Morris: I'm interested in the link between studying political science and working in Personnel.

Luttgens: It's just that I had always liked to work with people and I majored in political science. There was a lot of emphasis on community government that was part of political science. A lot of it was developing communities.

I had started out wanting to be a sociologist, had gone to my first class where the professor had said, "Towns grow up around railroads and railroads connect the towns," and I thought, "I've got to change my major," which I did.

In those days Stanford was a place where an undergraduate could go and find himself or herself by being exposed to all kinds of things. I don't think that's as true now, from what I've seen of Stanford and some other universities. You either go with something pretty clearly in mind that you want to go on into graduate school for or you flounder a bit. You don't have that really leisurely, wonderful feeling of being able to sample a lot of things, which is what I was able to do. The liberal arts experience.

Within the community side there were classes taught by a Professor Edwin Cottrell, to do with community development and the way communities grew and the ingredients that made for a successful community and so forth, and that was the area that I was particularly interested in. Although I also took courses in

Luttgens: Japanese history and the Far East and economics, and did have one quarter at the business school, which I was able to do the summer before I left Stanford.

Morris: And the Lees encouraged you to think in terms of going to work rather than doing something like playing tennis.

Luttgens: Oh, yes. Absolutely. And most of the women were working at that point. Although we thought we were going to work for a while and then get married and live happily ever after, and not necessarily have a career. There was very definitely a feeling that we weren't just going to sit around.

One of the first volunteer jobs I did was one that Russ got me involved in, and that was the Bundles for Britain. He was head of an organization that was raising money for the British effort, and I used to volunteer and staff it and sell pins and so forth. Again, it was fine, it wasn't particularly stimulating but it was putting in some time doing some things that were at least more worthwhile than sitting around.

At Arabian-American it was really very exciting because, as I say, the pipeline was being built, there was a lot of secret and confidential correspondence that was coming in from Jeddah. The board met from time to time in San Francisco. Fred Davies was the president of the board and was an interesting man. There was an engineer named Donald Brown who lived down the Peninsula, a geologist named James Terry Duce who was one of the leading people who had found oil in Arabia. It was a very high level and exciting endeavor to be involved in.

Files don't sound very interesting but they would say, "We've got to have that piece of correspondence which only you have seen, Leslie, because you were the only one that recieved it and know where it is." So I felt important as well.

An opportunity opened up after a year and a half to go into the personnel department and go to Arabia and I just wasn't sure I wanted to go. It seemed awfully far away to me. The wives that had been sent home during the war were now (when the war was over) beginning to go back. I decided I didn't want to stay as head of the files and there wasn't really any place else where I could go within the corporation, so I started going to night school.

In those days it was secretarial work that would open the door if you could do some typing, so I went to Ethel Davis' Secretarial School, it was one of two good ones in San Francisco. I got so I could type fairly well. My shorthand was never very good—I didn't like it particularly. But I was asked if I would like to go to the City of Paris to apply for an executive secretary position. I went over.

Luttgens: The personnel director, a woman named Mrs. Mitchell, who had trained in the Midwest at J. L. Hudson, predecessor of Dayton-Hudson Company, looked at my resume and said, "You're much too over-qualified to be a secretary, how would you like to be the training director?" and I said, "I've never been a training director." She said, "I will train you."

So I was sequestered for about seven weeks going out and working in various departments of the store. I started elevators, I sold ties in one of those islands in the mens' department, I did almost everything one had to do around the store, and of course had to fill out a lot of sales checks. Then, at the end of the seven weeks, I was introduced to the company as the training director.

I would spend three days a week doing the training--Monday, Wednesday, Friday--and the salespeople who had come in would have to take a day-long course and they were usually quite resentful, because they were people who had worked in other department stores. They'd say, "All I have to do is know how to fill out a sales check." If I could have them say to me at the end of the day, "Thank you very much," I was touched and felt as if I had done an effective job.

Morris: Sounds like Mrs. Mitchell made the job for you.

Marriage to Dr. William Luttgens; Volunteer Experience in Minnesota

Luttgens: She really did. It was a very small department. She was doing the training herself before I came. But she became ill. Bill and I were married in August of '47 and she became ill in September. We were going back to the Mayo Clinic where he had a fellowship in the end of December, but from September until about three days before we left I did all the hiring for the store because she was ill. I would interview and hire people for Christmas, which at that time was a big thing. I would say, "Come back tomorrow and the training director will give you your training." I'd walk into the other office and do the training. It was very hard work, but at the same time it was fun and again a challenge.

We went off to Rochester, Minnesota. I had been doing volunteer work all during this period. I had taken the Red Cross volunteer nurse's aide program my last quarter at Stanford and I continued to work as a volunteer at night, because there were so many volunteer nurse's aides around that all the good slots were assigned.

Luttgens: I ended up in the post-polio ward at Childrens' Hospital. I would take the cable car from my apartment on California Street to the end of California Street. At that time the cable car went almost all the way to Childrens' Hospital. You had to walk a block or two blocks, and I never worried about walking those two blocks, which is an interesting comment on the times.

Gripmen, two of them in particular, knew me and they would say, "Is the hospital paying you?" and I'd say, "No." They'd say, "You ought to be paid," and I'd say, "No, this is my volunteer activity." They'd say, "They ought to do something for you," and I'd say, "I certainly wish they'd wash and iron my uniform." [laughs] So that was always our joke.

Those two gripmen, Mr. Jergens and Mike, were just marvelous and would sort of keep an eye on me. One night a sailor spoke to me on the cable car and Mike said, "Listen, leave her alone, she's going out to do some volunteer work." [laughs]

Morris: Oh, how sweet.

Luttgens: Actually it's a commentary on those days in San Francisco, where I think there was very much a sense of people looking out for other people, because I think we were not as heterogeneous in those days as we are today. Anybody who was new to the scene stood out. I really hadn't thought about that very much until I mentioned it to you, but I think it may be a comment on the times.

Morris: If you were a familiar person people looked after you?

Luttgens: Yes. And we all knew one another taking the cable car down to the financial district. I had to take a bus and transfer to come home from secretarial school. I can remember the bus driver saying, "Don't transfer at Sutter and Fillmore, come up another way." There was a lot of looking out for people which may still go on, I don't know because I'm not in the same position to see it.

Morris: How did you happen to pick up with CARE and the League of Women Voters?

Luttgens: Same thing. Here I was a wife with a husband who was working hard at the Mayo Clinic. We had thought that he could get everything he wanted in one year because he had already started working in Dr. Wilbur's office in San Francisco. He'd been night superintendent at the county hospital, where he was in charge of all the medical staff and was very experienced, but most of the fellows were who came to the Mayo Clinic. They were looking for the experience of working with Mayo physicians.

Luttgens: Bill thought he could get the experience in the hematology department, which was what he was specializing in there. Their system didn't allow for that. It was a three-year fellowship and, by golly, you stayed for the three years. You spent the first year being sort of cut down to size so you would learn. In other words, you didn't come in feeling as if you knew everything and could just breeze into something. And the fellows used to grouse about it. They would say, "Here I've been making decisions and now I'm not allowed to. I have to bow to the superior who's the one that says 'yes, go ahead,' or 'no, don't.'" So they were working up patients and they were doing all kinds of things that they had already done before, but that was the way the Mayo Clinic went. I think it was good in the long run for their medical experience, but they were impatient.

We were there for the full three years. I found that the social life of the wives revolved around coffees in the morning, where one talked about children if one had children, or other people at the clinic. There was nothing at the Mayo Clinic at that point except the clinic and the farming community. There was no big IBM plant, there were no industrial parks, so that the whole focus was on the medical community.

You saw mostly the people that were in your department, like the internists or the surgeons, depending on where you were, although we did have some friends that were cross-disciplined. But I got to the point where I didn't want to hear all the gossip about Dr. So-and-so.

My across-the-hall neighbor, who I saw last year--she and her husband came to San Francisco from New Orleans where he's with the Ochsner Clinic--was working in the library and she said, "Why don't you come and do a part-time job at the library?" I said, "Sounds fine, but I'm not a trained librarian." I did a little bit of everything. I was on the front desk part of the time and I was mending books part of the time in the back room, doing things that other people didn't have time to do. They were a nice group of people.

The most interesting thing was that I saw how the farming community worked, because the farm wives would come in on Saturdays when their husbands would drive them into town. They would load up on food for the week and they would come to the library. They would mostly take out Grace Livingston Hill. Do you know Grace Livingston Hill? She was Kathleen Norris's predecessor. There were maybe three shelves of Grace Livingston Hill books. They would take the first five and then they'd bring those back the next week and take the next five and so on. So I really got a flavor of what that community was like.

Morris: Would she have been the Danielle Steel of that era?

Luttgens: Yes, absolutely.

I learned a lot too. It was an interesting period. I felt like I was doing something that was more worthwhile than drinking coffee.

The League of Women Voters came about the same way. The head of Bill's department, Dr. Malcolm Hargraves' wife, was president of the League of Women Voters of Minnesota, and they had entertained us. She said, "Why don't you get involved with the League of Women Voters?" which I did. Pretty soon I had my own group, which was made up of fellows' wives. We would meet at one another's houses. That put me on the board of the Rochester League of Women Voters.

We were looking at health-care issues because that's what a lot of the husbands were interested in. We could look at things we were interested in looking at. It also was an interaction with the other people in Rochester, Minnesota.

Morris: Was it a Rochester league?

Luttgens: Yes, it was a Rochester league. And within the Rochester league there were smaller groupings, one of which I chaired and which put me on the board. I have belonged to the League of Women Voters ever since, although I have not ever played a strong role since. I joined here in San Francisco when I came back. I think the League is indispensable as far as studying political issues.

The CARE thing came about because there was no CARE unit in Rochester and Jane Wilmer, whose husband was Dr. Harry Wilmer, the psychiatrist who wrote "Huber the Tuber" and some other marvelous children's books and was a grantee of the Rosenberg Foundation at one point.

Jane thought it was something we needed to do--somebody had approached her. So the two of us established a CARE unit and we would staff booths downtown to collect for CARE and pass out brochures.

II SAN FRANCISCO IN THE 1950S

Volunteer Bureau

Morris: Then you moved to--

Luttgens: Well, we came back to San Francisco. That was when I resumed the work that I had been doing with the Volunteer Bureau. The Volunteer Bureau then was at Galileo High School, and that was two blocks away from where we were living on Culebra Terrace, on the side of Russian Hill. I would walk over and work at least one day a week, sometimes more often, as the volunteer interviewer.

It's an ideal way to re-enter an area. I learned quickly about what the needs were, what agencies were asking for and what people thought they wanted to do, which was interesting to me. They'd come in and say, "I want to work in a mental health agency," and during the interview you'd realize that wasn't where they belonged at all, so you gently tried to guide them to something else. They would go out and have an interview, you'd follow up to see how the interview worked out, you'd follow up again to see whether they were still there. It was very much an in-depth kind of process.

Morris: How many people were there to be interviewed on a--

Luttgens: --given day? I can't give you a number, but we had lots of people being interviewed. We'd schedule interviews ahead so that you just weren't sitting there waiting for somebody to walk in the door. But, again, it was a time of change because there were a lot more men coming in, there were--

Morris: This is about '52?

Luttgens: Yes, I was back from Rochester, so it must have been '51 or '52.

Morris: Before your daughter was born?

Luttgens: Yes. As a matter of fact I think I was pregnant with Lise at the time. The early 1950s, yes.

Morris: More men?

Luttgens: More men coming in--older men, retirees were beginning to show up. There was a whole group of people looking at volunteer activities as a re-entry from mental illness. I remember Ed Nathan had a project that placed people recovering from mental problems. These were different kinds of people than the housewife who had some free time. One of the things that I thought a lot about and still would like to see changed, agencies continue to provide services when it's convenient for them, they don't provide them at a time when they're needed by the person to be served because so many people now are working during the day. They need services at night or at different times--family service, et cetera. And at times when the available volunteers could work, the good volunteers.

Stanford Hospital Auxiliary

Luttgens: When did we start the Stanford Hospital Auxiliary?

Morris: That was when Stanford moved down the Peninsula, wasn't it?

Luttgens: Yes. We started it before they moved.

We were at the Stanford Hospital in San Francisco. We were the first hospital to have an evening program for professionals who wanted to work at night--women who were working in the daytime.

Morris: Did the Volunteer Bureau have places for all the people who wanted to volunteer?

Luttgens: Yes. Mostly we could direct them around.

One of the things that's happening now, I've been advising a fellow who is starting a group called CalServe, which is to involve students in universities, both the UC system and the state system, in giving community service. There was the [Assemblyman John] Vasconcellos bill last year that would have mandated service. Bob Choate got that requirement out of the bill. He did this in San Diego and now it's gone statewide. I've been putting him in touch with volunteer bureaus so he's well on his way now. He has foundation grants and is building a network.

Luttgens: One of the things that he's finding is that students want to work to help the homeless, for example, or help with some of the current problems where there isn't a very well organized service group operating. So that's one of the challenges that is here now, matching interest and needs through an intermediary, which may be very much a grassroots organization that doesn't know how to use volunteers.

Initial Work with the Junior League

Morris: It relates to the broader question that traditional agencies are having trouble recruiting volunteers in the '80s. It may relate to what you already mentioned about the time and the place.

Luttgens: Yes. It's a piece of it, I think.

All during this time I also was active with the Junior League. I set up their first blood recruitment campaign, which would have been war time--before we went back to Rochester. My first committee chairmanship was circulating a film made on cerebral palsy that the League made--an advocacy film. That was a routine job but it was a way to get started. Then I did the blood recruitment thing, which was really unusual because we went to places like Mission Street and almost did a circus trying to get people interested in giving blood. We did it for the blood bank.

Morris: This is during World War II?

Luttgens: Yes.

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Luttgens: We need to review because there was a progression from one thing to another and, again, taking on a leadership role that I need to track back on.

Morris: Did you join the Junior League shortly after college?

Luttgens: Yes, and I didn't even know I was being proposed. A classmate asked me if I knew anything about it and I said I really didn't. She told me something about the League's idea of volunteer service. Then she asked me to lunch one day and I was so naive I didn't realize I was being looked over by the admissions committee and then was invited to join. I was working at Arabian-American Oil and they gave me time off to take the provisional course, which was very unusual. I didn't say anything about what I was doing to the people I was working with. I'd just go out to meetings once a week--

Sorority Issue at Stanford

Morris: Had you been a sorority member at Stanford?

Luttgens: Yes, that's a whole other story. I had been a sorority member, a member of Alpha Phi. When I went to Stanford I didn't think I was going to join a sorority--who needs it? Then one gets swept up in the excitement of being a freshman and all of your friends are going to rush parties, so I did that. There was only one place I liked and that was the Alpha Phi house, so I joined the Alpha Phis.

When I became vice president of the student body I had to live outside the [sorority] house, which I did. I lived in one of the womens' living groups and enjoyed the people I knew there very much. I also lived in Lagunita one summer--I lived in the small living group during the year--and realized these were people I really didn't know. I would see them at class but I didn't know them that well.

Stanford was not that big in those days. When I got ready to leave, after the time I'd been living in the smaller living group to go back to the sorority house, one of the women there said to me, "I'm so sorry because we'll never see you again." I said, "Don't be silly, of course you'll see me." She said, "I'll see you walking down the quad, but that'll be it."

I realized the enormous gulf between sorority and non-sorority women existed, so several of us, the good friend whose father had suggested I go to Chevron, and I and two or three other people, the head of all the sponsors of Roble Hall, the freshman dormitory, got together and we said this really isn't right. There ought to be more sororities or none at Stanford.

So we talked to some other people that we thought were influential. Mary Yost was the dean of students at that point, and she had never thought sororities were a good idea, apparently. We called a meeting--the vice president of the student body, the president of Panhellenic, the head of all the sponsors--and we said we'd like to propose something to you, and that is that there be more sororities formed or that there not be any. We told Dean Mary about it the day before; we said, "We don't want you to be surprised."

There was an uproar, a terrible uproar, because we'd called the president of each house and asked them to come in and they had come. They went back to their sorority houses and they told the house members and they called their advisors (we all had alumni advisors). Three of us belonged to the same house, we

Luttgens: were all Alpha Phis. We went back to the Alpha Phi house and I said, "I've got my pin right here and am ready to turn it in." [laughs] They didn't ask for my pin back.

Our advisor, a woman from Palo Alto, was literally lying on the floor kicking her feet. "They can't do this!" she said.

There was a woman who was half Jewish who was brought into the Alpha Phi house, she was a prominent San Francisco physician's daughter, a perfectly beautiful young woman. They were saying perhaps we shouldn't invite her because she's part Jewish. Somebody else was turned down at another house because she was Jewish. One family bought a house a grand piano so that their daughter could be pledged. Another young woman tried to drown herself in Lagunita Lake. The whole thing was ridiculous.

Our point was Stanford was selective enough to begin with; to put this further selectivity on it just wasn't appropriate. Everybody of course was having a fit, and Don Tressider was leaving the next day. He was going by boat, he was leaving to go to Europe as I recall, and he was staying at Mrs. Dennis' house-- Mrs. Dennis being Mary Jane Dennis' mother, Mary Jane being president of the Theta house. I knew him through the Lees and he called most young people "child." He was the president of Stanford at that time.

Morris: This is while Tressider is president?

Luttgens: Yes, that's right. Wonderful man. I'm not sure if he was the greatest university president, but he was a marvelous man.

I remember calling and asking Mrs. Dennis, who I'd met, if I might talk with Dr. Tressider and she said, "I think he's gone to bed." And I said, "You know, Mrs. Dennis, if he hasn't gone to sleep, I do think it's important enough that he know about it. She knew exactly what I was talking about, because Mary Jane had already called her and she did get him, I must say. He came to the phone and I told him what had happened and I said, "I just want you to know because the press is apt to ask you some questions." He said, "Well, child, did Dean Mary put you up to this?" I said, "No, Dean Mary did not. It was our idea." So he said, "All right. When I get back we'll discuss it at the board of trustees."

So later the board of trustees had a meeting to which they invited the spokesmen of three opposing views. Our views were-- more sororities or none. There was the sorority view--we want to stay the way we are and not change. The last view was from the women who didn't belong to sororities. The only manipulative thing I did was, they were going to have us come first and I said, "I think we should come last." I was politically astute

Luttgens: enough to realize it would mean a lot more. So that was the way it went. It was a very effective presentation. Trustee Ira Lillick had tears in his eyes when we were finished.

We didn't know what had happened for a year afterwards. I went on and graduated and I went out for coffee at Arabian-American Oil Company one morning and somebody had a newspaper across from me and I saw "Sororities Abandoned at Stanford." They were put off limits.

Morris: What about the fraternities?

Luttgens: We never touched the fraternities. We figured we didn't know enough about them. Fraternities continued but sororities were not allowed.

Morris: While this discussion was going on and then presented to the board of trustees, nobody talked to any people in the fraternities and they didn't have any interest?

Luttgens: No, we felt that wasn't our business. As a matter of fact I'm not sure the boys cared that much, although they may have. Three friends, Carl Livingston, Al Haas, and Boomer Eisenlauer (Boomer I saw at our planning meeting for the 45th reunion) lived off campus and they belonged to a Jewish eating club. So I'm sure there must have been some feeling of discrimination.

My political science professor, Tom Barclay, who was a bachelor and very stuffy (I liked him but he was pretty proper), saw me a year later after the announcement had been made and he said, "Look what you've done. You really ruined this. Here we used to have these wonderful living groups." I said, "Dr. Barclay, we never said anything against shared living groups, we just didn't want it to be only invitational living groups."

So the sororities were lost for a long time. They have now come back at Stanford. In the interim students drew lots; in other words if you wanted to stay in what used to be the Alpha Phi house, you drew lots. Your first lot was hopefully your first choice, but it might not be, it might be someplace else. I don't know how satisfactory it was. There were also a lot of coeducational living groups established after that time. I think that's part of the change that was going on--that people were looking for different arrangements and not being segregated.

Parallel League and Community Activities; Red Cross Casework in Tacoma

Morris: --about being invited to be a member of the Junior League.

Luttgens: Actually the person who asked if I wanted to join had been a member of my sorority class.

The Junior League did play an important role for me--we should talk about that. I'll try to see what I can remember about the various committee chairmanships that I did there, because there was definitely a progression. I always worked on a league committee and a community committee at the same time. In other words, I was out in the community, I didn't just do League things.

Morris: Right. Would they be related necessarily?

Luttgens: Not necessarily.

Morris: So you were back in San Francisco to stay by '57?

Luttgens: --by '51. Well, we thought we were going to stay in '51 and then Bill was called into the doctors' draft in '53. In the meantime Lise had been born--she was born in '53. We went up to Tacoma, Washington. That was when I did the American Red Cross job. They did have a Junior League chapter up there, and I had a college friend who lived in Tacoma and she took me to one of the meetings. I wasn't much interested in the meetings, although it was nice to meet some people because I didn't know a lot of people. But they did announce that they were looking for home service volunteer caseworkers. I said, "I will do that if you realize I'm only going to be here for two years," which was what Bill's stint was going to be.

Morris: Was this a new project they were setting up?

Luttgens: It was doing casework for the Home Service Department for the Red Cross. We were working with families who weren't getting their checks or who were trying to get together with their husbands who were overseas--you know, all those problems that somebody would have as part of the army where there wasn't any social service function to assist them. Wives by themselves in many cases, husbands coming home--that sort of thing.

It was a good program. They trained us very well. The ultimate authority was in the paid supervisor. I was out visiting people in their homes one day a week really feeling as if I were contributing something and learning quite a bit about the needs of army families.

Morris: Did any of those women take that casework volunteer experience and go to--

Luttgens: I don't know whether they did. It was sort of a blip in my life that was an addition to my experience, but I don't know, I'd be hard-put to tell you how I've used it specifically.

Morris: The interviewing experience, you were interviewing in two different settings, and that's kind of a basic way of getting information and evolving a hypothesis about what was going on.

You mentioned that Bill was in the doctors' draft, was that Korea?

Luttgens: That was for Korea, yes. He went in as an officer, he went in as a lieutenant and became a captain before he came out. He had a bad leg, he'd had polio when he was young, so they hadn't taken him the first time around in World War II. They said they can't fuss around with that. With this they were taking people who they hadn't taken before.

He tried to go to Stuttgart, we all wanted to go. But they wouldn't take him because they said, "We can't evacuate you if there's a problem over there."

So we ended up in Tacoma, Washington. He had said, "If you can't send me to Stuttgart why don't you let me go to the San Francisco Presidio?" We could see it from our window. But no, no. Can't do that. So we ended up in Tacoma, Washington.

He was very vigorous. He was in charge of the officers' ward and he was very vigorous about getting it cleaned up, get them all cleaned out, work late to get them cleaned out, and the next day it would be all filled up again. He finally caught on that the harder he worked the more people they sent in, so he started doing a sort of an eight-to-five.

He built a Heathkit radio and a lot of things like that. For the first time he wasn't working eighteen hours a day.

And we had fun with Lise.

We lived in a house out in Lakeview with an enormous yard. I had a sitter one day a week and would do my Red Cross work then. It was a typical early family arrangement. We had friends, we barbecued, we did all those things.

Morris: Knowing you weren't going to be there very long you didn't really get involved in the community?

Luttgens: That's right. We had good friends in Seattle and we found Seattle a lot more stimulating than Tacoma.

Expansion and Reorganization of Bay Area Leagues

Morris: Where did you meet Caroline Charles?

Luttgens: I met Caroline before Lise was born. I think it was after Rochester because I remember her saying, "Isn't it too bad you have to interrupt what you're doing here to go off to Tacoma?" She was an advisor to the Junior League. They called on her for all kinds of things and, as a matter of fact it was my idea to make her an honorary member of the League because she had given so much to the League, and of course both her daughters were League members. She was very touched by that.

Gerry Morris Lindsay and I thought of that and she was the first honorary member this Junior League had ever had. Later they made Ruth Chance an honorary member, which was very nice.

Morris: Did they?

Luttgens: Yes, Ruth's an honorary member. That was quite a bit later.

The League was very insular then. That was one of those periods where there was a lot of change going on. We had three units: Palo Alto, San Mateo and Marin and they were all at different levels of development. They had started because during war time people didn't want to drive to San Francisco to do their volunteer work or for their meetings, because gasoline was so hard to get.

So they started providing services to the agencies in their communities. They started having their own meetings, they started raising their own money. And they were part of an umbrella organization which was the Junior League of San Francisco. The units were a unique San Francisco League structure and other leagues across the country were beginning to copy it, "Now isn't that smart of the San Francisco Junior League? We can work where we are and we can still be part of the big League."

It was fine for quite a while, and then Palo Alto was getting bigger and bigger, the area was growing as far as community services were concerned. They were doing some of their own money raising. They really were ready to be kicked out of the nest and be their own Palo Alto Junior League, but they didn't want to go.

Luttgens: For about three years, for one of which I was president, we went through a very strong process of forcing them out and pulling the other two closer together. So, again, it was a time of change. The people over here being unhappy because they were being pulled in tighter with less structure. They were not going to be as independent.

Morris: Was Marin being pulled in tighter?

Luttgens: That's right, Marin was being pulled in tighter, San Mateo didn't care so much. Palo Alto was being shoved out.

Instead of having a board in Palo Alto, a board in San Mateo, a board in Marin and a board in San Francisco and the representatives of the other three sitting on the San Francisco board and having to be responsible for them and having allocations go out in unequal ways because the services were different, we wanted to become one unified League--San Mateo, San Francisco and Marin--and Palo Alto on its own. It was very difficult to do but it worked, finally. Palo Alto, of course, is just going great guns now. Some Palo Alto members chose to remain members of the San Francisco Junior League, which they were allowed to do. It wasn't the greatest idea, because they then were alienated from their friends down there.

But again it was a time when there needed to be a lot of fence mending and looking at new structures.

Hospital Auxiliaries and Mergers

Luttgens: That's how I met Caroline first of all, through her League advisory capacity. She was very good, as you recall, at bringing people along and exposing them to other things.

She got me involved in the Stanford Hospital Auxiliary, which later became the Presbyterian Hospital Auxiliary. I ended up on the board of Presbyterian Medical Center, and I went off when the University of Pacific came in. That whole Pacific Presbyterian story, the involvement and evolving of that, were very interesting to me.

In many ways I've never served on a board that was as frustrating, as that one when we were trying to merge the Presbyterian Hospital with St. Joseph's, with Children's. Caroline and I and Josephine Sullivan spent a summer meeting with three members of the Children's board and with the Health Facilities Planning group when Martin Paley was heading it, trying to bring those hospitals together.

Luttgens: The doctors were the ones that refused to let that happen. They wanted their whole spectrum of services at Presbyterian. They didn't want to have to run down the street to Children's for something or vice versa, even though there was a lot of overlap. That has been tried three different times with Children's and PMC [Pacific Presbyterian Medical Center] and it hasn't worked.

What I am interested in is what's happening now. Libby Schilling, who is a very good friend of mine, is heading the whole Children's Hospital holding company, which has merged with Alta Bates and has various divisions for ambulatory care and hospital care. She'd be an interesting person to talk to.

Morris: --the whole business of the hospital planning and cooperation.

Luttgens: Yes. I've come back into that a little bit now because I serve on the UCSF [University of California, San Francisco (medical school)] board of overseers. I've been there now for about four years, five years--since Frank Sooy appointed me. I must be getting close to the end of my term, although we didn't have terms to begin with so I don't know when they've got me going off.

First of all I'd seen it from the outside, from the Presbyterian vantage. We used to call UCSF the Colossus on Parnassus, which was Mark Berk's phrase--he was the Mt. Zion administrator. Now to see what's going on, a merger between Mt. Zion and UCSF--and the problems that they're having at UCSF as far as expansion is concerned, with limitations on space, is interesting to me.

Morris: What was Martin's role?

Luttgens: Martin was head of Health Facilities Planning. They would not give approval for any new hospital facilities or outreach or bed increase unless there was some consolidation. So they were very interested in seeing that there would be a consolidation of services, particularly because most of the hospital beds are on the north side of town, as you know.

Louis Lundberg at B of A [Bank of America] had a committee that was looking at hospital beds in San Francisco. This is before I went off to Rochester. It was one of the first committees I ever served on years ago. The situation is still the same. We're still over-bedded. We still have the same hospitals on this side of town and very few on the other side, except St. Luke's and San Francisco General and Seton down the Peninsula.

Luttgens: There was an article in the paper the other day about the new head of St. Luke's, who says they are the only hospital which is looking for Medi-Cal patients because they think they can make it work and they are the only hospital on that side of town. They would welcome them and they want them to come there.

Morris: The world would beat a path to their door. Isn't that fascinating?

Luttgens: Another thing I did along the way was I was on Mervyn Silverman's Health Advisory Committee, and we were talking about that whole situation, what San Francisco General was going to do when they had to take the people that aren't covered appropriately by health insurance and will not be accepted by the private hospitals.

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III JUNIOR LEAGUE LEADERSHIP, 1949-1958

[Date of Interview: June 30, 1988] ##

Organization and Board Training

Morris: I wondered what kind of orientation you received in those days in the Junior League.

Luttgens: I think it's pretty much the same as it is now. It was a look at county government, agencies. They were able to get wonderful speakers, outstanding people who were involved in the community, to talk. As I recall, my provisional course was one morning a week. Now they give a lot of it in the evening because there are so many professional members. I don't know that the mayor ever spoke, but the head of the welfare department, Ron[ald] Born, talked and the head of the health department, to give the new members a sense of community needs and what was going on. They had private agency people who were invited to talk about what their agencies were doing in the areas of health and welfare and education and so forth.

Morris: Just for the provisional members?

Luttgens: Just for the provisional members. As far as I know, it still follows the same pattern, it's to acquaint them with the community and the community's needs and give them a sense of the players in the community. They were always able to get outstanding speakers, which I think is quite a feather in their cap.

I have been provisional course chairman and chairman of the provisionals, which were two separate things. As I mentioned, I chaired the league's cerebral palsy film and the blood recruitment program and the provisional course. Then when I came back from Tacoma I did project finding, which was searching out projects; I was chairman of the admissions committee, I was community vice chairman for two years, future planning committee chairman, regional nominating committee, and of course went to

Luttgens: the conferences as a delegate--three regional, one annual conference--before I became president. It was all designed to give you a broad picture of the community and in-league training, good organization, how to work with people.

The league was very much involved in the community. We used to get lots of requests from community agencies for board members, because the league members were well trained. That sort of dropped off for a while.

Morris: Did that go through the board of directors?

Luttgens: No, it was done through the placement committee. Placement has always been responsible for placing league members in league and also outside the league, like a volunteer bureau. I think we passed the community board member responsibility over to the Volunteer Bureau for a while, I don't know whether it's in existence now, or not.

Morris: What kinds of things did the Junior League members like to accept in the way of community work or chores?

Luttgens: In most cases they were encouraged to work in an agency before they were asked to go on a board so that they knew how the agency operated, and simply didn't come in at the top. Children's projects were always popular. They did not like very much working with the elderly. It's interesting.

Although there was a project of community resources for the elderly that was done one year. The historic sites project was started while I was president and of course that ended up with that wonderful book "Here Today" about early San Francisco homes which is being updated again, as I understand it. League members were out pounding the pavement looking for famous old houses and interviewing people.

Morris: Who were the more experienced members that you found particularly responsive to your interests?

Luttgens: There were a number of very experienced members who really served as mentors for me. Gladys Moore was one of them, who served on the Recreation and Park Commission eventually, Betty Dwyer was another past president, Kay Rawlings was a dynamic president, Skip [Aileen] Whitaker--Skip and Gladys followed one another; I can't remember which one came first. Of course Skip went on to specialize in the health field, she's been chairman of the board at Children's Hospital. Tally Kulchar, another one. I don't believe Tally is still alive. Jo Sullivan, who is not Sullivan any more, she was one of the very early presidents, whom I knew later on the Presbyterian Medical Center board.

Luttgens: In my group I worked closely with Gerry Morris Lindsay, whom I had known at Stanford. I was her community vice president for two years. They used to do two-year terms. Then they got into one-year terms. There are lots of ways to look at it. You can do a lot in two years that you can't do in one, but the second year is very repetitious, as with any job, and not as challenging.

Morris: Was part of it that women were after a while no longer willing to put in a two-year commitment?

Luttgens: It's really more than a two-year commitment, if you assume that you have chaired a number of committees and been an officer before you become president, it's really a five, six, seven-year commitment. So I think if you have two years it's a very long time to be that involved. But we had a good time, besides feeling as if we were doing something worth-while.

It got to be very big business with--I can't remember how many members we had at that time, but managing that--interpersonal relationships were always something that interested me very much--how people work together.

Project Funding; Youth for Service Film

Morris: Were there any particular areas on the league board that you got involved in in terms of interpersonal relations?

Luttgens: I think project finding was always something that I was interested in, because it allowed me to use my community experience and bring it into the league.

I remember one particular event in connection with project finding. Youth for Service was just in its beginning years. The Rosenberg Foundation had funded it. This was long before I knew that I would be a trustee of the Rosenberg Foundation. It was really a maverick organization because they were working with youth gangs in the very early days.

Morris: Is this was when Orville Luster was--

Luttgens: --before Orville Luster. It was Carl May. He was really the one that started it. He was a contractor in southern California who thought if there is good in everybody then there must be a way that we can involve young people, who seem to be going down a destructive path, in something that's constructive. He began to contact the gangs, to get them out to work on projects that he was involved in. He was doing it more as a social worker than as a contractor at that point, but he was using his contracting experience.

Luttgens: These kids were mostly black, from disadvantaged homes. He had to teach them readiness to work. In some cases he or one of his other staff people would have to go over and get the young person out of bed and get him to the job, because they just didn't wake up to an alarm clock and turn up. Of course, they served them lunch of some sort--brown bag or something of that sort. It was hard work. In many ways it's like the San Francisco Conservation Corps now. It worked out very successfully.

We'd got the idea from the project finding people that it would be a good idea to make a film of this. So we got the money, we hired the film person.

The president who preceeded me--two before me--was Jean Livingston. Jean became concerned about Junior League members working closely with gang kids from a safety standpoint, and Caroline Charles was an advisor to the league.

I remember being very, very disappointed because the film was in progress and the question was how was the league going to interface during the making of the film, because it was always the league premise that league members served either on the board during a project or working on the project.

There was a lot of concern, husbands were concerned about their wives working in this project.

Caroline assessed the situation very quickly and said, "We have to separate it. You should go on with the grant but don't put your name on it and don't work with it. Just make it a grant and not a project." Frankly, I was very disappointed because it seemed to me that it was possible to work this out. Looking back on, it I'm sure Caroline was right--the time wasn't appropriate for that to happen.

As a result this marvelous film, which was used all over the country, did not have the league name on it. It was a considerable amount of money, I've forgotten how much it was. So I felt badly about that. I said to Orville Luster one time, who succeeded Carl May, "Did you realize the league made that film possible?" It was all done by the time he came in. He said, "Yes, we knew." But they just never said anything about it.

Youth for Service went on to become a Ford Foundation project after Rosenberg finished funding it and after the league had made this film, and of course it has continued; I've continued to hear about it over the years. When I was chairman of the membership committee for United Way there was some question about whether they were spending United Way money appropriately, and as chairman of the membership committee I had

Luttgens: to meet with Percy Pinckney and Orville. What happened in that meeting was fascinating to me because I learned for the first time about the posturing that goes on between people.

They said they had a secondary project worked out which was being funded by United Way at a particular house out in the Mission District. A black doctor, Arthur Coleman, who was also involved in United Way who said to me, "I think you should visit that project and go at a time when they don't know you're coming and see whether there really is anything going on. I don't believe there's anything going on at that site."

So we went out. We had a little task force, a delegation, that went out. We had agreed to meet them out there but we went out an hour early and, sure enough, there was nothing going on. When they arrived with the crew to make it look as if something were happening, that is when I said, "We must have a meeting with Orville Luster and Percy." And we did.

Percy was in charge of the project and there was a lot of posturing that went on in that meeting. When we walked out I looked at Orville, I was very puzzled, and he said, "I had to do that." He couldn't lose face in front of the rest of his people so he was really challenging us and we knew there wasn't anything going on. It was a very interesting situation. I hadn't realized about those inter-relationships within an organization that made for--it wasn't improper, but for certainly some interpretation about how funds were used.

Morris: The head of the organization is Orville who thought that he had to back up his staff people--

Luttgens: That's right.

Morris: --even though he knew. Did you have a sense that he had known before hand that something was not right with Pinckney's project?

Luttgens: I think he just hadn't been able to straighten it out himself internally and was called on the carpet and had to take a stand. That was my impression. And they did cut back on the funding as a result--

Morris: --United Way did?

Luttgens: --and, as you know, Percy went on to be Governor [Edmund G., Jr.] Brown's head of something or other at the state level.

Morris: He was Jerry Brown's coordinator of community relations, I believe.

Luttgens: I think you're right.

Luttgens: It was very interesting because it was part of the upward mobility which I applaud, but somehow you should do it legitimately. [laughs]

Next-to-New Shop

Morris: Were there other projects that the league found that related to growing--?

Luttgens: The Next-to-New Shop was opened in 1949. That was an interesting time when we were discussing whether the upper Fillmore was a good place to have an office. We'd always had an office--first of all in the Mark Hopkins hotel which they gave us for practically nothing, as I recall, but it was good for them because we were coming in, having lunch and so forth.

Morris: You did your parties there and things like that?

Luttgens: --and did our parties there. Then we were at the Miyako Hotel in the Japanese Trade Center after that, and then finally bought that whole building at the Next-to-New Shop, so that the offices are now up above there.

The Next-to-New Shop itself was started in 1949 and it made a profit of \$1,200 in its first year and still is the league's major source of income. All league members, except the sustaining members unless they want to, have to put in a certain number of hours per year at the Next-to-New Shop and also give a certain amount of merchandise. I don't give much there any more, but a lot of sustaining members still do give a great deal to them.

Member Mobility

Luttgens: In 1950 the transfer chairman was created. We never had a transfer chairman before, but mobility was becoming such a strong element. Women were coming from other leagues in other parts of the country and there had to be a way for them to be assimilated, so they were given the provisional course, or at least a part of it. They'd had a provisional course in their own league but they had to take part of the provisional course here to qualify for membership.

Morris: To become familiar with San Francisco?

Luttgens: That's right, on San Francisco.

Morris: Did many of those provisional members stay with it and become board members and take leadership roles?

Luttgens: Always in an organization like that there are people who want to be more involved, given their circumstances, depending on what their childrens' situation was, how much help they had, whether they could give time. They all had to give a minimum of hours but some opted to do more. Now they're taking in I don't know how many welcome new actives. The issue of the magazine that I just gave you will show you almost 100 members in the provisional class. Whereas in our year, in 1944 when I came into the league, there were perhaps twenty-five members in the provisional course.

Morris: What does that mean in terms of admissions guidelines or standards? Have they changed?

Luttgens: They've changed enormously and I must say for the better, because the league is trying to diversify. There were no Jewish members when I became a member, except for those who transferred in because Portland, for example, had a number of Jewish members. I can remember when one of the first Jewish members was proposed and, of course, that's ridiculous to have that--same thing as Stanford and sororities--it had that selectivity. Now they are seeking other ethnic-background members.

Sharon Woo was the president here several years ago. When I spoke to the Long Beach League about four years ago, it was the meeting at which their provisional members became active. There were perhaps eight black members in the group. Once that happens and the transfer process takes place you begin to see mobility and different kinds of people coming in. It's very interesting, and healthy.

The last two years I've served on the AJL awards committee. They have a \$10,000 grant from BMW to give to the league in the U.S. that has established an important project in the field that the league picks that year. The first year was battered women, as I recall, or women's shelters. Last year, it had to do with child care.

It was very interesting when we got up to the time of making the decision the first year. It was the first year that AJL had done this, and they had a group of outsiders making this decision, because I'd been away from the league for quite a while. Lloyd Kaiser who was the head of Public Broadcasting in Pittsburgh, Juliet Rowland who is black and has been a member of the AJL board and is the president of the Pennsylvania United Way. Also a foundation director I had known in another capacity, Thomas Beech.

Luttgens: We got up to the decision and, of course, the administrator of the Association of Junior Leagues was sitting in with us, as well as the woman who was running the effort. There were about three leagues that we thought were doing exemplary projects. When we made our selection, they heaved a great sigh of relief, because it was a league that was carrying forward the principles that AJL had enunciated, which was to give full diversification to membership.

One of the three had refused to do this, and I must say it was one of the southern leagues. I said to them, "Next year you'd better build that into your awards criteria so that it is understood." Now they say, "--and the league that enunciates fully the policies of the Association of Junior Leagues." Before that they just had to hope that the decision would be made--it would be very embarrassing for the league to give an award of that sort to a league that wasn't in line with the policies.

Morris: In San Francisco did the arrival of transfers, first of Jewish background and later of Asian and black background, did that make it easier for the San Francisco League to recruit their own local members from those backgrounds?

Luttgens: The decision was made before that happened, because we've always been forward-looking, I believe, both in the league and in the United Way and in other ways here on the West Coast. It just did not seem appropriate to be excluding a particular group from league membership when the purpose was to train young women for community activities, to educate them and give them an opportunity to move into leadership roles. The principle of having members become sustaining at age forty is that you had the training, now go forth and work in your community. I think that's always been an important facet. But the decision preceeded the transfer in, but the transfer in did help.

Fundraising and Allocation

Morris: What's the balance in the league in San Francisco between fundraising activities and direct community service?

Luttgens: I can't really answer that. The fundraising has grown as the activities have grown. The fundraising--the community account--and the administrative account are two separate accounts and they have always tried to balance one another. In other words, you have to raise enough money so that the things that the league adopts as projects can be funded.

Luttgens: I would say that the fundraising efforts have increased enormously. Not only do they have the Next-to-New Shop but the two cookbooks have been terribly successful. They now have an endowment fund which they call the annual fund which they are encouraging members to give to. I do have mixed feelings about the fund because it seems to me that in many cases members would prefer to give directly to an agency than to give to an intermediary and then have the money allocated. When I had lunch with the new AJL president in January, I raised this question, and also the fact that AJL itself is doing fundraising; that, it seems to me, is a conflict with the local league which is raising money to fund local programs, if AJL is also seeking to raise funds from the same sources. But, as she points out, they do have consultants that have to be paid for and the consultants serve the local leagues.

To take a piece off the top of each member's dues to support AJL without additional funding is difficult. They are going to corporations now to ask for money, and I think that puts the corporations in a difficult position when they are being turned to by community agencies as well. I have a problem with the league, which has a privileged position, seeking funding from the same people that community agencies are seeking money from.

Morris: There are two questions there. In many local organizations that have a national affiliation, there seems to be a continual tension about how much national or state wants and do we get back in service or visibility, or whatever your criteria are, an equivalent amount that we send forward.

Luttgens: That's particularly true of the philanthropic organizations like the Council on Foundations, where a formula for dues provides the funding for the national organization but a small community starting out might get more consultant help than a big one, and so forth. So it addresses exactly what you're talking about. If my dues are \$5,000 to the Council on Foundations, do I get back that \$5,000 in services locally?

The answer always that we gave at the Council on Foundations was, "You're serving the whole field of philanthropy." That doesn't sit too well in some places, but I do believe it's true.

Morris: That concern at the local level is addressed at the national level, then?

Luttgens: I think it's a dilemma. Certainly Red Cross suffered for years from the view that people here felt that so much of the money was going to Red Cross nationally and wasn't coming back locally. The whole earmarking, the whole donor option program at United Way that really has come about because of the concerns that

Luttgens: people want to give directly to a service as opposed to a pool which will be distributed at the intermediary's decision level. It's a tricky business.

Recruiting and Retaining Members

Morris: Who did you either help to recruit, or who came along while you were devoting a major effort to the Junior League that you thought particularly promising?

Luttgens: We did propose members, certainly--young women who were in the community who we felt should be members of the League. Same thing when you are on the admissions committee--and I did chair that--however committee members are not supposed to propose anybody. There were a lot of stars, there's no question about it--women who went on to play strong roles. Mary Culp, who went on to be the director of the San Francisco Volunteer Bureau; Virginia Duncan, now a trustee of the Irvine Foundation; Cathy Bellis, active in so many cultural organizations.

Morris: Any who are still working in the same kinds of things you are?

Luttgens: A lot of the people who I worked with, not necessarily those who I proposed, I still see on one project or another. There's a whole network of women who had specialized in a particular field. Patty Costello, for example, is a specialist in the mental health field.

One of the projects that I did one year before I was president, before I went off to Tacoma, was something called the community services committee, which only lasted about two years.

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Luttgens: That was really my brain child. It was a way of bringing back to the league a lot of the expertise that some of these older members--particularly the past presidents who were working in a variety of fields--could return to the league, not on the basis of a lot of work as far as they were concerned; but as they were working in their particular fields, keeping in mind what the trends were, what the needs were, and then reporting at the end of the year to the entire league. Mary Keesling in art, Gladys Moore in the recreation area; Gerry Lindsay was in the music area. We had one meeting at the beginning of the year explaining the ground rules. These were all people who had either been president or an officer of the league who were serving on boards or commissions in various fields--health, education, art, and so on. We asked them to keep in mind all year long what they

Luttgens: thought was important in the field, then we had a day-long report meeting which was absolutely fascinating. It was like a post-provisional course in many ways.

Morris: Was this for general membership?

Luttgens: We had a report meeting just for the committee, and it was so good that we then did a general meeting for the membership. I thought it was fascinating. Others also thought it was extremely useful.

One of the things we talked about, for example, was having a cultural United Way, because all the arts organizations were asking for funds with the same people. It never happened, of course, but it was certainly something which we discussed and threw out as an idea and is a recurring suggestion.

Morris: That would be in the late fifties?

Luttgens: No, it would have been about 1953, because I was pregnant with my daughter as I recall; and I think Vivian Raven, now Vivian Cook, was the president at the time.

Then I went off to Tacoma with my husband when he was called in to the medical service there, and Sylvia Hunter chaired that committee the next year. You can't do it every year. You really need to do it every three or four years.

Morris: There aren't that many changes?

Luttgens: That's right, and it's not that interesting to do it every year. If you could do it every few years and bring back what's happening, it's a very quick look at the community and what's going on for all of the membership, not just for the provisional course.

Giving for Cultural Organizations; 1980s Independent Sector Project

Morris: It sounds like the kind of thing that the Council of Social Planning was a good device--for being in touch with what was going on in the community. It's interesting that there was a thought that a cultural United Way might be a good thing. That was way ahead of its time in terms of funding patterns.

Luttgens: Absolutely, and it still is in many ways. There's been an effort to get the Independent Sector project called Give Five [percent of individual income and five hours of volunteer time per week]

Luttgens: started here in the Bay Area. This is a project that is nationwide, attempting to get people to give more of both time and money.

When we had some meetings last year, the people from the [San Francisco] Symphony [Association] were particularly upset because they felt that it was going to take away from their very carefully nurtured group of givers and give it somewhere else. They could not believe the concept that it was going to increase giving overall. It was in no way a United Way for cultural organizations, it was simply an effort to increase both volunteering and giving.

It is now being resurrected. The Give Five idea is doing very well in places like Denver and Detroit. It has not been established here.* Someone has now been hired with an Irvine Foundation grant and there's going to be a meeting in mid-July to talk about how it can get started, now that a professional has been hired for California to try to expand the program statewide.

This article in the Wall Street Journal is talking about increased giving, and it has increased some as far as business is concerned. So it's happening, but this would be to give it more of a prod. The national program is headed by Gene Dorsey, who has been the head of the Gannett Foundation but I think is now a vice president of Gannett, and he's lent a lot of stature to it.

It pointed up for me the real concern that the cultural organizations have that they have worked so hard to cultivate their givers that to put opera, symphony, museums together would dilute what they're doing and allow people to give less instead of more. There's some validity to that.

Morris: Interesting idea, yes.

League President, 1958-1960

Luttgens: Going back to the Junior League, do you recall that the experience of being president produced any particular learning experience or challenge that you hadn't encountered before?

* A six-county Bay Area program was started in October 1989, with Neil Harlan.

Luttgens: It was a difficult time because of the spinning off of Palo Alto and the pulling in of Marin, so it took some skill at working with that. The chairman of each of those leagues--it was like four little leagues that had been put together with one umbrella, and that's always difficult because people don't know how much decision-making is allowed at the local level if you have a super umbrella.

Just as the Bay Area social planning committees had the same sort of experience. They were made up of a planning committee in each county, but with a five-county overlay. Just as United Way had the same problem, and their jockeying for resources and so forth.

Morris: Were there things you were able to do to ease that--

Luttgens: A lot of it is skill in working with people and being able to be pretty clear about what the guidelines are, of what's allowed and what isn't, and very close communication, because you have to know what's going on and at the same time allow enough authority so that one doesn't feel as if it's purely a satellite organization in the local areas. So that was a challenge. I would say that there was a great deal of emphasis on dissolving that unit system.

Morris: Did this mean a lot of additional time talking with people in the different local groups?

Luttgens: An enormous amount of time. I have a friend in Tacoma, Washington, who's a member of the league whose son always talked about them being the "meeting ladies," and that term has always stuck in my mind because the "meeting ladies" were always meeting, either on the telephone or in committee sessions.

Morris: --on the questions about the reorganization of the local groups?

Luttgens: --and trying to troubleshoot as far as problems went, before they got out of hand. I think a lot of it was being in touch with people whose concerns bubbled up, to try to talk with them before they became real problems. It seems like a small thing now, but I think, as in anything where people's feelings are apt to be hurt, a situation can get bigger and bigger because it's not attended to.

Morris: Were you already aware of the need for this kind of personal attention?

Luttgens: It had been going on for three or four years. It really was the culmination of quite a long period, and we were having discussions with AJL, as well, about how to do this the best way. We were trying to get Palo Alto through the process of becoming its own league, which was also a ponderous process, as I recall. Most of the attention was on that, but at the same time we were raising money for community projects, we were looking at new projects--it was an interesting time.

IV STANFORD HOSPITAL AUXILIARY, 1959-60

Chairman of Volunteers

Morris: Were you already deeply involved in Junior League matters when you took on the Stanford Hospital Auxiliary?

Luttgens: Yes, I was involved in league matters, and that was very intensive.

I worked with Caroline in 1964 on the California Association for Health and Welfare when I was her assistant program chairman. We founded the Stanford Hospital Auxiliary in 1959 and 1960, because I was president in 1958 and two people had preceeded me. I worked closely with Caroline on that. I was the first chairman of volunteers.

Morris: That interested me. What was it like, going from being president to being an administrator?

Luttgens: My term as president of the Junior League followed the establishment of Stanford Hospital Auxiliary, so I really had been the volunteer chairman before I became president of the league. That was very much of a fulltime job. We went into the hospital and tried out various volunteer jobs in various departments very delicately, because the hospital people weren't sure they wanted volunteers. It wasn't very long before they were all clamoring for volunteers because they could see that they were of assistance, they were well trained, and so on. So that was fun to do and very successfull.

Morris: It was the nurses primarily who were reluctant?

Luttgens: --the nurses, the admissions desk--"you can't trust a volunteer on the admissions desk, for heaven's sakes, that's much too important!" Some of the departments, the clinics—I think that

Luttgens: some of the employees felt their jobs were being threatened, which was not true in those days. Since cutbacks have occurred in recent years, that concern certainly could be justified.

Morris: You as chairman of volunteers tried out the various jobs?

Luttgens: Yes, just like back at the City of Paris when I was learning to be the training director--you sell ties in an island, you go into a department and you guinea-pig something out, you have somebody with you and then that person carries it on. It's a training effort in each one of those areas.

Morris: Amazing. How did you manage a fulltime job as volunteer chair at the hospital when you were doing the league--

Luttgens: I wasn't league president yet. I always juggled the two. I always did something in the community and something for the league, so that at the same time that I was taking on more responsibility for the league, I was also doing an outside community job.

Morris: Like two days a week on Junior League things and two and a half days on the hospital?

Luttgens: Something like that, yes. It was pretty much five days a week. I had a marvelous babysitter.

Morris: A live-in?

Luttgens: No, not a live-in person, so it was coming home and doing dinner and that sort of thing.

Morris: --being here when your daughter got home from school--

Luttgens: Yes.

Morris: How did your husband feel about the volunteer program at the hospital? Was this something he was particularly interested in?

Luttgens: He thought it was extremely useful, as a matter of fact, and he could see the value of it--the warmth that volunteers brought to a hospital setting. Just having somebody come in from the community--from outside--made an enormous amount of difference for the doctors who felt that they were abandoned when Stanford moved down the Peninsula, to have volunteers who were coming in from the community who cared. And they weren't all doctors' wives. Caroline had designed that very carefully. They were all kinds of people, and she very carefully picked people who would bring various facets of the community in.

Luttgens: I learned a great deal from her during that process--about selecting people, about building an organization, starting out with about twelve of us in somebody's living room and having those twelve decide to bring in other people. The whole planning process of the auxiliary took at least six months before we even set foot in the hospital. There was a by-laws committee to look at the kinds of by-laws, there was a volunteer committee that I chaired where we considered the possible places that one could go. We ended up hiring staff before very long, but we had no staff to begin with.

Morris: An in-hospital staff person?

Luttgens: That's right. Partly paid by the hospital and partly by us. I think we paid the first.

Morris: "We" the volunteer association?

Luttgens: Yes.

Morris: Did it turn out to be a Junior League project at some point?

Luttgens: No, it was not a Junior League project ever, but there were some Junior League members that were involved. It was a building process of starting small and getting bigger and bigger, enlisting the doctors as charter members, so that they all joined as charter members. I can remember saying over and over again, "This is not a women's auxiliary. This is an auxiliary to Stanford Hospital because it has men members." Now there are a lot of men volunteers too, I believe.

Morris: I was wondering if there were any men active in setting it up.

Luttgens: Yes, there were. Not in the beginning, not when we were planning it, but very soon. Particularly, with a hospital coordinator, men began to volunteer--retired people with particular skills: bookkeeping and all sorts of skills that a lot of women didn't have in those days.

Morris: Did the doctors participate in this preliminary planning process, or did they just get a report from time to time?

Luttgens: They really did not. They got a report.

Some of the volunteers were doctors' wives.

It was one of the last hospitals to form an auxiliary, in many ways. Children's Hospital had a very going auxiliary, St. Joseph's followed us, and of course the Stanford Hospital Auxiliary in Palo Alto followed us. I believe San Francisco General was started by Caroline. She became quite an expert in

Luttgens: starting hospital auxiliaries, but we were in the ending group of hospital auxiliaries. There were many that had already been formed, and one of the things we looked at were those that were in existence. What were the good things about them and what were the things we didn't think would be desirable at Stanford.

Morris: What kind of things did you think worked less well?

Luttgens: Limiting it to doctors' wives, we thought, was a big mistake, not being broadly available to hospital functions throughout the hospital. In other words, not just specializing in a gift shop or something of that sort; although the gift shop came later, as did fund-raising things; they came later as well.

Morris: That's become a fairly important subspecies of hospital volunteer.

Luttgens: You mean the fund-raising part?

Morris: The gift shop.

Luttgens: Yes. Almost every hospital now has a gift shop and, of course, it's a convenience for people visiting patients, to be able to pick up some little thing in the gift shop to take in to the patient, whether it's flowers or some cards, writing paper or something of that sort. It also provides some of the little nice necessities that normally aren't available in a hospital.

Morris: That's the wagon from the gift shop that goes around to the patients rooms?

Luttgens: Yes. Then we did the televisions in the patients' rooms that they could rent, took those around; the library cart which went around with books for patients to read, and magazines. The gift shop items were always a big thing.

But again that's something that's under fire; nonprofits which have an activity which is a moneymaker for the nonprofit but may be in competition with local merchants, as you may know. The YMCAs are under fire because they run health activities, and the fitness clubs feel they are not treated the same way because the YMs have a tax deduction; they are subsidized, which the for-profits don't have.

Morris: Was that a question that was raised--

Luttgens: --in those days no, it was not. It's only been raised the past few years, and there may even be legislation that will limit those portions of a nonprofit which are profitable, which would be very hard on the nonprofit. I do have sympathy for the small business people, but it may be that there's an accommodation that

Luttgens: can be made that will make it less of a problem for the for-profits, I don't know.

Morris: Has the opposite been suggested; for example, that somebody who's in the business of running a gift shop might--

Luttgens: --franchise, be in a hospital?

Morris: --take over the hospital gift shop and--

Luttgens: --run it on a contract basis?

Morris: Yes.

Luttgens: --as a concession or something. I don't know, I haven't heard about that. That would be interesting to investigate. I'm not quite sure how one would work that, but there must be a way if it seems desirable. You wouldn't have volunteers working there, I don't believe.

Morris: It would be an interesting hybrid.

The other thing I wondered about was if you had any thoughts as to what effect the presence of hospital volunteers might have on general concern about health care.

Luttgens: In what way?

Morris: In the sense of whether having volunteers in the hospital led to an increased awareness of the need for more outpatient services, for example, or the hospital's problems of taking care of the people who couldn't afford to pay the going rates, and that kind of thing.

Luttgens: Very simplistically and not answering your question appropriately, perhaps, there was always a concern about how the money raised by the auxiliary would be used. Was it the auxiliary's decision as to where that money would go, or was it the hospital's decision? Was it simply raised, was it just a check that was turned over to the hospital administrator, or did those that raised the money have a decision about it? That was one that simply had to be talked out. If a project were adopted by the auxiliary and then money was raised for it, that was very simple because it was clear-cut. If it was simply a benefit without any particular focus as to the purpose of the benefit, then there had to be a meeting with the administrator to discuss various options. But again those accommodations can be worked out. I remember going through a period of having volunteers say, "We're going to raise this money but we think, perhaps, it ought to go to this or that," and the hospital's saying, "That's not our first priority."

Morris: So it was an exercise in priorities.

Luttgens: Yes.

Again, since you're working for the benefit of the hospital, it seems to me if you make those decisions early on rather than after the fact, it's simpler for everybody.

Morris: In this case it sounds like the decision didn't get made until it had already caused some tension.

Luttgens: It was part of a learning process, I think. [laughs] We have to have a benefit, and so we go ahead and have the benefit without saying exactly what it's going to be used for except that it's for the hospital.

Morris: Why did there have to be a benefit?

Luttgens: Part of it was not entirely monetary, but visibility in the community.

Morris: Oh.

Fundraising for the San Francisco Education Fund and Other Organizations

Luttgens: As with the San Francisco Education Fund, I can remember when Bill Roth said to us there, "You've been in business for a year and a half, it's time you had a benefit." Not only did it raise some money--not very much the first year--but it did bring people in to come to the benefit who, because they came, learned a little bit about the organization.

Morris: Their initial impulse was to have fun doing something, and then that was the carrot?

Luttgens: Yes.

Morris: What kind of benefits did--

Luttgens: --the auxiliary do? Now they have a big fashion show at the end of summer, which I've never gone to because I don't like fashion shows--but it makes a lot of money. I think Saks Fifth Avenue does it with them.

But at that time we did all kinds of things. I think one of our first things was a party--a dancing party--I don't remember where it was. We did a cookbook and we had a launching of the

- Luttgens: cookbook where we had a press party in somebody's home. I remember Russ Lee had a wonderful dessert that you make with liquid nitrogen--pouring liquid nitrogen into a bowl of heavy cream with flavorings, rum and whatever you want, and it makes ice cream.
- Morris: That sounds sort of weird.
- Luttgens: Well, we used to do it here because Bill learned how to do it, and it was always a crowd-pleaser because this liquid nitrogen pours down, it falls because it's heavy.
- Morris: It sort of instantly chills the cream.
- Luttgens: It freezes the ice cream. It was quite spectacular. Russ was always trying to get Trader Vic's to do it. I was always afraid it would freeze somebody's toes or something. Plus the fact that liquid nitrogen is a very volatile material and has to be handled very carefully. But that was quite successful--the cookbook.
- Morris: Was that the beginning of the benefit cookbook era?
- Luttgens: Yes, the hospital auxiliaries were putting out cookbooks. Stanford put out a cookbook, I had one from about the same era--Burke's School put out a cookbook. And some of those recepies were terrible, looking back on them. Tuna fish with a can of mushroom soup and potato chips crushed on top, that kind of thing--just awful.
- Morris: Does that take a separate group of people to put together a cookbook?
- Luttgens: Yes, those who were interested worked on the project. The Junior League cookbooks have been terribly successful, and they worked for a couple of years on their cookbooks. Then they have to market them, and that's a whole new world for volunteers to learn about. I think the leagues have gotten very professional. And as always there is a bureaucracy that grows up around projects. There are people who go through the country managing Junior League follies, which was a big thing that they used to do. There are people who you can hire to come in and tell you how to do a cookbook. It's an interesting phenomenon.
- Morris: That's a new thought for me. I was wondering if it was the other kind of bureaucracy in which within an organization one group of people develops a vested interest in something like a cookbook or the annual dance or something like that.
- Luttgens: I think that's true to a certain extent. The kinds of people that are really interested in putting on a smashing fashion show for the Junior League each year, who model in it, who put it on

Luttgens: administrativly, who love that sort of thing--it was never anything that interested me at all. Just as in any volunteer work--in that paper that Arlene Daniels and I wrote, you'll notice there are those volunteers who are much more interested in the glitzy cultural support kinds of events and those that are interested in the health and welfare.* Mostly they don't cross over. There are a few people who do cross over, but mostly not.

There are professional volunteer fundraisers. Charlotte Mailliard [Swig] is the best example of that. She's just spectacular.

Morris: Had she arrived on the San Francisco scene by your Junior League days?

Luttgens: She was just coming, because I remember Caroline helped her a great deal get started. Caroline knew her in those days, and used to see her and got her involved in some things like the San Francisco General Hospital Auxiliary, and so on. Everybody, of course, wanted her on their board.

Morris: Did she come to town already--

Luttgens: She came from Texas.

Morris: --known for her skill in--

Luttgens: I forgot where she was working. She got involved with [Congressman and Mayor] Jack Shelley's political campaign somehow.

Morris: The Mailliards in general as a family have a long history of being--

Luttgens: --community service-minded, absolutely.

Morris: A lot of people don't make the crossover between good works and politics, but the Mailliards--

Luttgens: --did, yes. It's interesting, because I have never been involved in politics and don't feel particularly guilty about it--I always vote. But when people write me and ask me to support their candidacy I usually would prefer not to have an out-front position. I might do something privately, but it's just not my cup of tea. It's a very important aspect, I think, but it's just not what I enjoy doing.

*Board Membership and the Volunteer Career, Leslie Luttgens and Arlene Kaplan Daniels, preliminary draft, November 2, 1976.

V FRIENDS OF THE SAN FRANCISCO PUBLIC LIBRARY

Going on the Board, 1966

- Morris: You did get involved in the Friends of the San Francisco Public Library and going on its board. Is that a mayoral appointment?
- Luttgens: No. The Library Commission is, of course, but the only two honorables I have, one is the Private Industry Council (they have a nominating committee and the mayor appoints to the Private Industry Council) and the other was President Reagan's Task Force on Private Sector Initiatives. Of course, he made the appointments, but there was a considerable screening process for that.
- Morris: You mentioned that you had done some library work--
- Luttgens: --in Rochester, yes.
- Morris: --as a young woman.

Book Sales

- Luttgens: When I went on the board of the Friends of the Library, it must have been 1965. The person who suggested I go on said, "They're a creative, not very organized group with the most worthwhile purpose"--I think that's still true. In my experience with the library it's a very dedicated group, very expert group in their field, but organizationally not particularly knowledgeable.

Certainly that first book sale we held in 1965 was a real example of non-organization. The books were all scattered on tables, there was no order to them at all.

- Morris: This is surplus books from the library?

Luttgens: No, these were books people had donated, and there may have been some surplus books. The library had first choice to look through and see if there was something that was out of print that they wanted in the collection so they would take them prior to the sale. Also the volunteers became very possessive about the books. They felt if they had seen something that they really wanted, they would buy that first. I always had some problems with that, because I was afraid all the good things would be gone before the public was able to come in, and the purpose of giving books was to sell to the public, not to the volunteers.

Some of us were able to at least organize the books so that they were by field of interest or area, as opposed to just all jumbled together, which would have taken people so long to look through. Since I think they raised—I've forgotten how much they raised this last year, but now it's their biggest money-raiser and it goes on almost all year round. They're now selling paperbacks, so that they have these mini-sales in between the big book sale.

Morris: The first sale, do you remember did you get the kind of public response that you had hoped for?

Luttgens: Absolutely. We were staggered.

Morris: Really?

Luttgens: Absolutely staggered. It was held at what is now the Lurie Room at the San Francisco Public Library--the main library--and we outgrew that in a year and had to go over to one of the wings of the Civic Auditorium. It's grown year after year.

Morris: Was there a lot of publicity, or was it just something that people really--

Luttgens: I think there was quite a bit of publicity about it, certainly in the library; so people who were interested in books were already there, and you know what a crossroads that is of people. People were lined up waiting outside. It was just madness.

Library Use; 1968 Bond Issue

Morris: You weren't concerned at that point about use of the library? The library has always had lots of people using it?

Luttgens: Always too many, even in those days. We were talking about the fact that the clientele was outgrowing the ability to serve them. It is not a well-designed facility, as we know. I think the

- Luttgens: recent decision to go ahead with this bond issue is absolutely right; it's difficult and it may be voted down, but there's absolutely a need for it. I was fascinated that the bond screening committee has recommended that they go ahead, even in view of all of the budget cuts that have been going on, and the deficit and so forth.
- Morris: Are the branch libraries also heavily used, or are there different patterns from the downtown library?
- Luttgens: I think they are different from one library branch to another. I have a friend who's on the Library Commission now and I heard secondhand from somebody who's also a friend that the mayor [Art Agnos] could not have picked a worse place to discuss library cuts than the Noe Valley Library, because it is so treasured in that area and it has such heavy traffic; so, of course, all those patrons came. Now if he'd come to another library that isn't used as much--actually my library, the Golden Gate Valley branch down here on Green Street near Laguna, in the block that's bordered by Laguna, is not as heavily used as some of the others. But the Noe Valley branch apparently was on that list when a study was made, as one that could be scrapped.

I do think it's going to be very difficult to get rid of those branch libraries, because people who can't travel that far--children are using them for afterschool work now--it's just an important thing.

Poetry Contests

- Morris: In addition to the book sale, didn't you also get involved in a poetry contest?
- Luttgens: Yes, we had poetry contests. Actually, when my daughter participated it was for both public and private schools. We had poets judging the poetry, and it was very successful. A lot of children who hadn't thought about poetry as being something that was important to do got involved.

It turned out to be a poetry festival after the first couple of years, because the poets themselves felt that one couldn't judge poetry, that it should be looked at a wonderful exercise and something to do, but not that one is good and one is bad or one is better than another. So it turned out to be simply a poetry festival.

- Morris: Would this have involved any of the Beat poets who were writing in San Francisco in those days?

Luttgens: The judges were quite a collection of people. They were recommended by the San Francisco State Poetry Center; that was the link, so it had some authenticity. Mark Linenthal was then head of that Poetry Center and he was involved.

Ann Perlman, who has published poetry, was one of the judges.

Morris: How did it come about? Was this somebody on the Friends who loved poetry and wanted to start it?

Luttgens: I think it came from one of the librarians, probably the children's librarian, who was very interested in what sort of experiences children needed to have, that this would be a good idea.

I discovered something through that library experience, particularly in the children's area, which I had not realized before, and that was that children's librarians view books for children as being experiential, something that they need to love to come to for learning, as far as enjoyment is concerned; as opposed to schools which see books as tools for education. The philosophies are quite different. This is one of the reasons there are problems between the libraries in the schools and the public libraries.

School and City Interface; Budget Problems

Luttgens: Later on, on the [State Superintendent of Public Instruction Wilson] Riles School Commission, when we were looking at various community facilities and how the schools could interface with the community, one of our recommendations was that there be a joint committee of public school librarians and city librarians, and that they meet together and perhaps have some joint facilities in some cases. It never happened. You can put all of this on paper, but if the philosophies are different it just doesn't work.

What's happening because of the budget deficit is that kids are using libraries, they don't find the school books that they need there, and they aren't in the school libraries because the school libraries have been cut back so. At least they're in a library environment doing their homework.

Morris: --and finding things that the school librarians might be amazed at. [laughs]

Luttgens: I shouldn't say they never went together. There used to be a once-a-year meeting between some of the school librarians and some of the city librarians around children's books, where they

Luttgens: would get together and talk about books that they each had discovered as being of mutual interest. I think those were very positive.

I attended one of those sessions. It was held out in one of the libraries in the Richmond, and that is a very healthy thing. They really did exchange ideas. I think it was because of that that later on I thought that they could work together, but there are some difficulties.

Morris: I wondered if your experience is that people who work with the library tend to be a different kind of volunteer than the average United Way type of volunteers?

Luttgens: They come because they're interested in the library to begin with, so that's one difference. By and large there is some cross-fertilization, certainly with the education community and education volunteers, probably less with United Way volunteers. But I'm seeing people turning up on the Friends of the Library board now who I associated with through the San Francisco Education Fund and some other areas. I would say that the library volunteers and board tend to be more all-inclusive of diversity.

The current chairman is David Coombs, and he's passionate about the need for libraries, and very articulate. The other evening, he told the [Board of Supervisors] Human Services Committee that his feeling is that closing the library branches means extinction for those libraries because those collections will be scattered, the buildings will be used for something else, they'll never come back. So he feels that it's irrevocable to do this.

He's passionate about this, whereas I would perhaps feel that some of the libraries may have to be closed, just because of the budget situation.

I think the closing of the business library is a very sad occasion. Once before it was threatened to be closed, and we rallied the corporate community and others around to keep it open. They made quite clear that they would do it for a very brief time. I don't think the Friends can go back to them again because I don't think they feel it's that important to them. It is used heavily.

Morris: It's always crowded.

Luttgens: --always crowded, it's used by a great variety of people, it's not just business people.

Luttgens: The other thing that's been suggested in saving the library is that those that use a particular library take out a membership in it, but that is against the philosophy of free libraries that Carnegie started years ago.

Morris: Andrew Carnegie would have a conniption, yes.

Luttgens: So that doesn't seem to be a solution for libraries.

Constituencies for Public Instruction

Morris: There were several points you made in your talk to the trustees that I thought were interesting.* If they still seem valid to you, you might like to--

Luttgens: Oh, yes, I think they are valid. We're talking less about the particular project than some of the ingredients.

One of the things I said in that talk was that this was one of the first "Friends of" organizations. Now there are Friends of the Symphony, Friends of Hospice, Friends of Enterprise, Friends of the Park and Recreation Department. It was a way of building a membership around a public institution which wasn't done before the Friends of the Library, which was one of the earliest ones. What it did was to build loyalty of members who were there when a crisis came and advocacy was needed. They were people who already were working there who were committed to the importance of the institution.

Morris: Was that the idea of the organizers?

Luttgens: Yes, to build a constituency. I just had the letter for my dues for this year for the Friends of the Library, and it is a very strong letter about never before has it been so important to continue your membership sort of thing. They are making a very strong appeal this year.

Nonprofits can't lobby, so that when we went to speak before the board of supervisors we went not to lobby but to speak to our commitment to the importance of the institution and to, in many ways, try to educate the board of supervisors about the kinds of things the library did.

*See appendix for Mrs. Luttgens' notes for Friends of the Library, 25th annual meeting, 1986.

Morris: That's advocacy?

Luttgens: That is advocacy. It was very carefully orchestrated. I can remember one of the members of the board of supervisors saying to me, "When I look down and see that body of Friends of the Library I know we're in for some real discussion." The participants were carefully selected as to variety of people, so that it wasn't just a claque from one part of the city coming in to speak for something; and that still goes on.

There is a separate organization, separate from the Friends of the Library, but there certainly is a relation to it because they are in good communication, called Keep Libraries Alive, that was started in the early budget cut-back days, and it is a lobbying organization.

Morris: --in 1978, 1979?

Luttgens: I'm not sure what year it was organized. It is going full tilt right now.

Information vs. Culture

Luttgens: The other thing the libraries had trouble with is that it's linked with cultural organizations. Libraries consider themselves an information organization where you can get, by picking up the telephone and calling the main library, information about all kinds of things that you and I might be discussing.

Morris: The great trivia questions of after dinner conversation.

Luttgens: Yes. And I've done that, not frequently because I think it's an imposition on their time; but I can remember on a couple of occasions when there was a big argument about when something happened or how it happened, calling the reference librarian who was there to tell you what it was.

Besides that, it's also educational. You think of the number of people who go to educate themselves, older people who have graduated from school but who need to find out how to do something, or just an educational question about a foreign country. So it's both educational and informational and cultural. But the cultural--they always get lumped with the cultural organizations, which is--

Morris: Where do you see them fitting more appropriately?

Luttgens: I think both informational--particularly in today's information age--which is so important. I also think educational because as a free library it's there for those people who can't afford to go take a course somewhere but can educate themselves. So it's a self-help kind of role.

I think cultural is third and not as important as the first two. But it's viewed as a frill, which is why it's easy to cut.

Adult Literacy Programs; Organization Building

Luttgens: Look at what they're doing to Project Read, which my friend Babs [Olive, Mrs. John] Gamble has developed now. The project is almost four or five years old. They are using volunteers to work with illiterates.

Morris: --adults?

Luttgens: --adults--and doing a super job. That's a trend that's sweeping the country.

A few years ago when I was on the Gulf and Western [Company] Major Awards Committee, they selected for one year the subject of literacy. We had projects nominated from all over the country that were trying to solve illiteracy and, wow, it was why aren't we more literate because of all these organizations, all these nonprofits that are working to do something about it? I really can not understand. We simply are not reaching the people who need it most, or maybe the volume is too great. I don't think anybody realized we had so many illiterates in the country.

Morris: Do things like this call-in information service and the adult literacy program come from professional librarians, or did they come from the combination of having Friends of Public Libraries that are aware of maybe different kinds of needs than a traditional librarian would have?

Luttgens: I don't know how Project Read started. It is not run by professionals, it is run by volunteers who have become professionals.

Morris: They have extensive training, from what I understand.

Luttgens: That's correct. They do have. My friend Babs Gamble is not a professional, but she is a volunteer who is so highly skilled that she was able to organize this. They originally had grants from the national and state library associations. Now she's out money-raising, so one of the things that she and I have been

Luttgens: talking about is organization--she had had an advisory committee which has never had fundraising in their scope. Now they need to move to a different kind of board.

Babs is a very experienced volunteer--she's been president of Enterprise, she was the second president of the Stanford Hospital Auxiliary. She was one of the people who early on was involved there; she and her husband were in medical school together. She's a very good friend, and she has not hesitated to ask me for advice on where to go. She's learned her way around the foundation network and now uses that. She knows how to build a board of directors, but she wanted somebody again to meet with several of the board members to talk about how to build the organization. So that's what they're in the process of doing.

For something that you would hope would go away because it would have served its function, they're finding that it's just the tip of the iceberg; that there is so much need. And apparently it's not difficult to recruit volunteers, which is fascinating.

One of the things that Babs has been doing is meeting with the other regional directors of the literacy program locally, so that they now have one telephone number that directs people to the appropriate system. I think the systems are different, I think they've grown a bit differently. I'm hoping it's not going to be a bureaucracy but that there is some sense of working together and communicating for informational reasons.

Task Force Approach to Problem Solving

Morris: You made an absolutely marvelous comment there. Have you ever encountered a problem that you worked on that has gone away, that's been solved and you heaved a big sigh of relief, "That's dealt with, we don't have to worry about that any more?"

Luttgens: There are some things that have gone away for other reasons, not because the problem has gone away. [laughs]

I'm a firm believer in task forces. If you complete the task or if it can be done some place else--in other words if you have created enough interest that somebody else that's already there in the field can pick up on, you can then self-destruct.

That has to do with the Business Leadership Task Force. It's an outgrowth of the President's Task Force on Private Sector Initiatives. It has pretty much sunsetted. When we talk about

Luttgens: it I can show you how the issues we looked at were picked up by somebody else, and some of them are now being dealt with elsewhere.*

I don't enjoy staying with something just to keep it running. I like to break new ground if possible, bring some people together who hadn't been together before and then see if we can move in strongly with support for an organization that's already in the field, and try to strengthen that organization, if we can.

Morris: Was there any suggestion that you yourself might go on the Library Commission board?

Luttgens: A librarian did ask me if there was any way that I would be considered and I said, "No." I don't have a lot of patience with public meetings. I've had enough experience with them, and although I applaud people who want to do that sort of thing, I think I'm at a stage in my life where I become impatient with the length of time that it takes to work in the public arena. I saw it with the school board on the rounds for our Riles School Commission, where there were Nazis lined up one night at the school board meeting, in the back of the room with their arms folded and glaring. Every constituent group would come in with a different appeal and no way to resolve it. I'd rather work behind the scenes and try to do what I could to make something happen, as opposed to being out front.

*See chapters XVIII and XIX.

VI ADVICE AND TRAINING FOR NONPROFITS

Hotel Tax Allocation Committee; Board Diversity and Continuity

Morris: The need for private and nonprofit organizations to present their views to public bodies sounds like that takes a lot of skill, and preparation too.

Luttgens: It does. There's an effort going on right now which is a whole other subject that's related to the [San Francisco] Hotel Tax Advisory Committee, that I don't believe we've talked about. I established the first Hotel Tax Advisory Committee for [Chief Administrative Officer] Roger Boas. We put some organization and some foundation practices into the allocation of those monies, which hadn't been there before. It used to be just passed out by Tom Mellon. He didn't do a bad job, but Roger wanted something that was more organized.

This year a study was done by a consultant who had been a moneyraiser for gay and lesbian and minority organizations. His facts are apparently quite correct.* I'm suggesting that he may have had a bias in what he was looking for. What he has found out is that there are virtually no minority members of the boards of seven major cultural organizations, except the Exploratorium, which I believe has some representation. The Museum of Modern Art has absolutely none.

He also studied the staff patterns he found, which are equally bad. His report picked up on this, and Supervisor [Richard] Hongisto wants to introduce legislation that before hotel tax monies or any public monies can go to any nonprofits they must be non-discriminatory. The fact that there is not representation of ethnic groups on those boards to him is discriminatory. As a result of that I went to a meeting with the current members of the Hotel Tax Advisory Committee in Rudy Mothenberg's office. Rudy just told us about this, he didn't ask us for suggestions.

* See San Francisco Chronicle, June 2, 1988, Section A, page 1, for coverage of "changes of eliticism and underrepresentation of minorities in city's cultural organizations," and follow-up stories on August 9 and

Aside on KQED Nominating Committee

Luttgens: I told him about a process that I had been through the last two years at KQED, where I was the non-board member on the nominating committee, and we interviewed candidates for board positions at KQED seeking to diversify by geography, by race, by gender, particularly, (because there needed to be representation from the gay community which is criticizing KQED) by skills, making clear to them during interviews that we might not be suggesting their names this year, but we wanted to build a pool of names that KQED could draw upon in the future.

Tony Tiano was always present during those so that he could ask--

Morris: He's a member of KQED?

Luttgens: He's the executive, the president of KQED. He was always present. The chair of the KQED nominating committee, 'Zanne Clark—it was her idea to do this. She is a recruiter for a real estate firm, and she did a superb job. She led the interview, but the rest of us all asked questions. We also asked the people we were interviewing what they wanted to know about KQED, what they thought about it. It was a very good process, I think.

I said in this meeting in Rudy's office, "Some of the other nonprofits could do the same thing." I've never seen it done before, but it was done very successfully at KQED. We reached a whole group of people that we never would have reached otherwise. The way we found them was by reading the newspaper, particularly the business section, to see what names were emerging; by asking for suggestions from KQED board members, from the members of the nominating committee, from people we've interviewed. I don't know how many people we interviewed over a two-year period.

Morris: In other words you were calling cold—names that had been suggested from various sources?

Luttgens: We tried to find a link—somebody who knew them, and in most cases we were able to do that. As a result they ended up with a superb board list last year. I'm no longer on the nominating committee. 'Zanne was very good; she said, "You said you'd do it for a year, you were good enough to stay for two, I'm not going to ask you to do it again." She's no longer chairman of the nominating committee. They've got enough names to last them for quite a while, but also there are a lot of board vacancies this year. They've got to look for balance on that board. They also have to look for training for leadership, because they have to look two years down the road to see who's going to be the chairman.

Luttgens: That was one of the things we were beginning to do. After they'd been on the board (everybody else on the nominating committee was a member of the board, except for me) they were able to see how people performed on the board and see who might be a candidate for leadership. They were sure they had enough people on the board to provide leadership for the next three or four years; so they had some experience. I thought this a superb effort.

Recruiting from Corporations

Luttgens: I was thinking about it after our meeting with Rudy, and I suggested to Charlene Harvey, who chairs the Hotel Tax Advisory Committee, that we contact some of the corporations. I had already contacted two who were uninvolved and asked, in one case, the executive vice president for human resources; in the other, the corporate vice president for communications whether they thought it was a good idea if they were to make suggestions and if they could interest some of their employees with minority backgrounds to serve on some of these organizations.

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In both cases they thought it would be good for the corporation, that it would be good for the community, and certainly good for the employee to have that experience.

It's tricky; there are several things involved. One is that the mindset, particularly on the cultural organizations, has been getting as much money as possible so that the people who serve on those boards have to be givers themselves, as well as links to those who can give. That's one problem which might occur with an employee who perhaps wouldn't see that as his or her role.

Morris: Was this Pacific Telesis--

Luttgens: One was Telesis, the other was with McKesson.

Another thing is that a lot of those corporations don't have people in the higher echelons with minority backgrounds, so that they would have to be reaching down.

The mayor is already doing that. Somebody at Telesis who was appointed to a commission was not well-known in the company, so it isn't as if the company had the opportunity to recommend.

Morris: In looking for people of minority backgrounds, were there any contacts with groups like the Bay Area Black United Fund or the Black Physicians' Association?

Luttgens: First I'll finish the rest of the story.

Having discussed this with Charlene, and particularly the delicacy of a minority employee being spoken to by somebody in the corporation and then not have the nonprofit invite to membership. That is a very difficult area when expectations are raised that are not carried out.

I had that experience with somebody that I suggested, who was outstanding, from one of the corporations where I'm involved. The nominating committee did not invite him to membership. I heard later that they said, "We don't know him." This was somebody who was outstanding, who was high up in the corporation, would have had support from the corporation.

Another thing that one of these men said to me: if somebody goes on the board, of course, the corporation will support the organization, so we have to be careful about how much we can undertake.

The end of the story is that I talked to Charlene about it, and her mind had been going the same way. She had a grant from the Irvine Foundation for the Management Center here in San Francisco. The Management Center has hired somebody who will be going not only to the corporations but also to the kinds of organizations you're talking about, so that they also can suggest potential board candidates.

I think the tricky part is once they have a pool of names how they match and place; and the responsibility of the organization that is bringing this person on the board to support him or her and not have it be just one minority person, and how they're going to deal with some of the things that may be different from the way they have treated some of the procedures it has had before. The board itself needs some education on how it welcomes and supports a more diverse membership. It seems to me that if the seven major organizations in the cultural field would set some affirmative-action goals and then work toward them that this could be very helpful.

Criteria for Hotel Tax Funding

Luttgens: The way that Hongisto saw it was that the Human Rights Commission would monitor this. The Human Rights Commission doesn't have enough staff to do it, so that somebody would have to be paid for by the Hotel Tax Fund to go over to

Luttgens: Human Rights and do that; plus the fact that the second part of what he was interested in was that all providers to those cultural organizations should also be non-discriminatory.

The burdensome, cumbersomeness of that is just impossible. You couldn't do business with me if I did business with South Africa or if I had in any way discriminated with anybody. Morally, that is correct, politically it's fraught with difficulties.

I was hopeful that the first piece, the establishment of affirmative-action goals and working toward them with a very simple way of checking on that each year, would head that problem off. But we are in an era where, because of the way the city is developing, this is not going to go away and it's going to become a political issue.

Morris: What did you recommend in the way of foundation procedures that might be used by the Hotel Tax Fund in allocating funds?

Luttgens: We set up criteria for what we were going to fund. The Gay Freedom Day Parade, for instance, came to our committee for funding.

This is a recommending committee. It recommends to the CAO, the CAO makes the decision.

It seemed to us the best way to get to that was to establish criteria for different categories. What are the criteria under which we fund all parades? If they fit the criteria, then they ought to be funded. That was what happened, because they did fit the criteria.

Part of the criteria from the Hotel Tax Fund which people have lost sight of--they see it only as a discretionary fund. It was established to tax the receipts that any hotel or rooming house, anybody who rents a room, on the basis of it benefiting the city through tourists coming into the city. That was the basis on which it was given for the opera, the symphony, the things that people come to the city to do. We broadened that because we actually studied how many people were coming into the city to go to some of the smaller things that were going on.

Morris: How did you get the data for that kind of analysis?

Luttgens: We asked the agencies to keep track. We also had some data. It wasn't as complete as it might have been.

We also established the Ethnic Dance Festival, which had never been done before. That was Ed Nathan's idea. It was just a tiny, tiny thing the first year, and put on in one of the schools. Look at where it is now, it's really exciting to see it going to the Kennedy Center in Washington.

Luttgens: On the basis of people's attendance at events, some of the people who attend don't spend the night--they come from outside San Francisco--but they spend money.

Morris: They eat dinner and they certainly park--

Luttgens: That's right.

Morris: --and they buy a ticket.

Luttgens: --and they buy tickets. I think that was the way we got at that to try to get a sense of how many people. We worked with the Convention and Visitors' Bureau to get a sense, too. We might even have had a questionnaire that they distributed.

Morris: The Berkeley Repertory Theater does quite an elaborate mapping of its subscription customers and I was suprised, looking at that a couple of years ago, at how wide an area they draw from. They draw from Davis and Stockton and Palo Alto, and this is a 300 seat theater in a relatively small town. I wondered if some of the cultural organizations in San Francisco do that careful analysis.

Luttgens: I'm sure they do. For example, the Symphony would have a computerized record of where their subscribers are from, all those buses that bring in people in to concerts. The museums would know about their membership; they wouldn't know about attendance at special exhibitions.

That was the reason it was set up. The CAO has to go to the supervisors each year for the specific amount. But part of it off the top is still going to pay for bonds at Candlestick Park, part is going to the Convention and Visitors' Bureau. Each year that this happens the supervisors view this fund as discretionary money, but it isn't really discretionary money.

I think that the hotel people would be up in arms--they're not happy about having the hotel tax increased; it's been increased several times recently and the mayor is asking that it be increased again--if it were to go to the police, which they were asking yesterday: wouldn't it be a lot better to have this money go to keep policemen on the street. That was not the purpose that it was originally set up for.

It's always iffy, but I do think this is a wise move to try to bring more qualified minority members into contact with cultural organizations and others. It'll be a pool that won't just be used for cultural organizations.

Morris: In terms of the changing ideas on affirmative action, it sounds like a really interesting plan.

San Francisco Day Treatment Center; Impact of State Policies

Morris: Going back to some of the other things you were doing in your early days. I don't know how you managed to keep parallel activities going in so many directions. Could you talk a little bit about the San Francisco Day Treatment Center and how that tied in with state programs, and what you were doing there?

Luttgens: The reason I was there was that one of the projects we were looking at in the [United Crusade] Social Planning Committee, at the end of that period, was a day treatment center for mental patients where they could come in by the day and go to their homes at night.

Morris: --instead of hospitalization?

Luttgens: That's right. There were three cities in California where pilot programs were started. One was in San Diego, one in Los Angeles and one in San Francisco. The San Francisco one was set up across the street from the Presbyterian Hospital. Because of my involvement in the Social Planning Committee I was asked if I would serve on the advisory committee to the day treatment center as it was being established, in 1962.

Morris: --and your experience with Presbyterian and its predecessors.

Luttgens: Yes.

Mental health had never been my particular interest but I was interested to see whether this would work from the community standpoint.

I can see, I was on that for six years and I was the last member. Everybody else had gone off. I remember having a one on one meeting with the director [laughs] --

Morris: You mean everybody else had retired or their period ended?

Luttgens: That's right. John May was a member because he'd been chair of the Social Planning Committee when I was on it. Most of the rest of the people were media people: Phil Lasky, who then was head of KPIX.

It was a good center, there was no question about it, but what was happening was that Governor [Ronald] Reagan was beginning to cut back in the mental health area and instead of seeing that this was a value as a local development, they were taking people out of the hospitals up at Napa and turning them loose in the community saying, "Well, there'll be community facilities," but there weren't any community facilities. It was at a time when people who were mentally imbalanced were beginning to be out on the streets, and of course that's gone on and on. It was an interesting time to be involved.

I have forgotten the name of the doctor who was the director, but he stayed with it almost to the end. He finally bailed out, got another job down south, and he was replaced by somebody who wasn't terribly competent. He was a psychiatrist without much administrative skill. The first fellow had administrative skill besides being a psychiatrist.

What we were really doing was coming together about every two or three months to hear about what was going on, the status of the center. We were really advisory and that was all. I think it was one of my earliest experiences with advisory committees. The word has always meant to me, "We just want you here A) for window dressing, B) for somebody who is interested in the subject and likes to give advice, but we may or may not take it."

I have sort of reservations about advisory committees now. Their advantage is to the individual, as long as he or she has his or her eyes open as to what it's going to mean.

Morris: Does this also imply that in time of stress the advisory committee takes some of the heat?

Luttgens: Yes, we did do that. The media people were marvelous about getting information on television or in newspapers about what was happening on mental illness.

Morris: More media people than is customary on a board of directors?

Luttgens: Yes.

Luttgens: I don't think that Russ Coughlin was on it, but it was a group of people like that, some of whom were much more conservative than others but most of them caring about mental illness.

The other thing about an advisory committee is people don't feel the commitment to the organization when it's advisory, which was one reason they started dropping off. It looked like it wasn't going anywhere, so it just kind of faded away and the project faded away. There was no more money, there was no place to go for it. That was what the lobbying was about, trying to keep the money flowing. It had proved itself to be a very useful thing. Now day treatment centers for adults and the elderly are going great guns.

It was perhaps the two things: the cutback as part of the Reagan state administration was one thing, and gradually it was dismantled.

California Children's Lobby; Need for Separate Research Arm

Morris: We have time for a couple more, one of which is the California Children's Lobby?

Luttgens: Yes. That one is still going.

Morris: Is that related to the committee that Ruth Chance was on for years, the Governor's Advisory Committee on Children and Youth?

Luttgens: No. Patty Costello was involved in it, Betsy Haas Eisenhardt before she was married was involved in it. She was a young attorney just back from Washington, and cared about children's causes. Buzz Pauley, a big politician from southern California, was the first chair because he loved that sort of thing. It was a statewide committee. We used to meet in airports. It literally was a lobby for children who have no voice in the legislature, for legislation that affects them at the state level.

They also had some media people on the board. They had a wonderful woman named Elizabeth Berger, who still is the executive. Liz is in Sacramento, she's a very competent lobbyist. She saw the need for this. I don't think she's the one that started it, but she's still working with it.

Ruth Chance and I talked about it and Ruth said, "You really should have a research arm that is separate so that foundations can give money to it, because any money that goes for the children's lobby is not deductible."

Luttgens: I remember going around raising money. I remember going to see Dan Koshland. It was very early in Patty Costello's moneyraising days and she went with me to see Dan Koshland to get some experience. Now she's a super fundraiser and she loves it. I've always hated it. I remember going in to see him, that wonderful man who I'd known through some Levi Strauss [Company] connections, and Patty saying to me afterwards, "He was going to give. It just was a question of how much when you talked to him, how much he responded to what you had to say." I've forgotten what he gave us but he was quite generous. It seemed generous at the time, \$5,000 or something. We had a very small budget.

We told him about what we hoped to do. He believed in the principle, and we said, "Any gift you give will not be tax deductible because it is a lobbying organization." That was all right, he sent us some money.

That was what we were having to do--go around and ask people for money.

It was a very disorganized group. We made contact with a lot of very good academics who were working on studies of what children's needs were and what needed to be done. It has a very dedicated group of volunteers, many still involved.

I didn't stay with it because I found it was too hard to fly to Los Angeles for a meeting. Mary Ripley, my old friend from southern California, was very involved in it.

Morris: Did it have a specific focus or is it sort of broad--?

Luttgens: It was following legislation that was in the process of being drafted and sending out a bulletin statewide to members--they now had members, they now had chapters--to lobby for or against, to reach their particular assemblyman or senator to lobby for or against a piece of legislation. They've been very successful, they've stopped some bad legislation, they've supported some good legislation--haven't won everything. I remember those bulletins. I finally said to Liz, "Liz, please don't send me any more of those bulletins." I didn't have time to read it all when I was no longer part of the organization.

We did start the Children's Research Institute, and I was the first secretary. Three of us from the California Children's Lobby board were the three board members of the California Research Institute, which apparently at that time was supposed to be okay. You could wear a different hat over here and get money for a nonprofit kind of organization and still be on the board over there for a non-deductible lobbying organization. But I got off the Research Institute as quickly as I could, as soon as they

Luttgens: built something there where I wasn't needed, because I felt it should have a much bigger separation, that they should be totally separate.

Jeanette Dunckel is now head of the Children's Research Institute. They are raising money from foundations, they are doing studies which are very useful. I know Ed Nathan sees Liz Berger all the time in Sacramento. I haven't seen Liz since I went off--I was there five years, till 1975.

Morris: You saw your function as primarily--

Luttgens: --organizational--

Morris: --organizational and fundraising?

Luttgens: I didn't want to do the fundraising but that seemed to go with the territory. Chiefly organizational and that was the basis on which they invited me to come on.

Morris: Did you feel as if you made some progress?

Luttgens: Oh, yes. I think we did a good job in organization.

Again there were a lot of different personalities. Some of the people from southern California had quite a different view on how they should proceed. They had a judge who was chairman of the lobby for a while--I believe it was Judge Higgenbotham.

Morris: --from Los Angeles?

Luttgens: I think he was from Los Angeles.

Buzz Pauley was the first chairman. His father was Ed Pauley, the oil man from southern California. Buzz ran for assembly once and didn't ever make it but he was really bitten by the political bug and he cared about children. He was not particularly experienced as far as administration was concerned but certainly well-meaning and did a good job of building a constituency.

Everybody came with different skills, and I learned a lot about children's issues at the meetings: Professor [Robert] Mnookin from Stanford, who was an expert in the child welfare field, met with us; Arlen Gregorio, who then became a state senator from San Mateo (before he was a senator he was an assemblyman) got involved with the Children's Lobby, a man who was passionate about what he was doing. It was a very eclectic group of people who got involved.

Luttgens: It got to be too much for me to try and traipse around the state, meeting in airports for a day.

Morris: So you were there in its early organizational phase?

Luttgens: Yes.

Mills College Associate Council; Making East Bay Contacts

Morris: Was the Mills College Associate Council a different kind of an organization?

Luttgens: Yes, and you've touched on something interesting. These things that I was doing simultaneously required various levels and kinds of activity, which made them possible to juggle and to manage. Some met infrequently and required very little in the way of effort to participate in. Others were very intense. When the intense one dropped down there'd always be another intense one coming along. But they varied as time went on.

Mills College Associate Council I got involved in because Rob Wert was the president of Mills College and Rob and his wife had been classmates of mine at Stanford. It's made up of women who did not go to Mills College. They also have a Mills Alumni Association.

Morris: Was there the same kind of rivalry between Stanford women and Mills as there is between Stanford and Cal?

Luttgens: First, when I was at Stanford there were never enough women on the Stanford campus in those days, and Mills was a women's college only with no men, so it was perfectly understandable if a Stanford man wanted to invite a Mills woman out. I don't think it ever bothered me particularly.

The Associate Council was made up of women who did not attend Mills--many of them women from Berkeley whom I had not known before that. That was one of the fringe benefits of being involved in the Mills College Associate Council. That whole East Bay group of women who had been working for the YWCA at Berkeley and for various other activities in the East Bay who I, for some reason, had never had an opportunity to meet.

Many of them were older than I. Ella Hagar for one, Betty Helmholtz, Joan Lane's mother, Krafty Fletcher; they were all women who were interested in Mills College. Some of them had gone to eastern colleges, and there was no way they could participate in their own universities' academic activities there.

Luttgens: Joan Lane, for example, came on because she had been very involved in Smith College, on the board recently at Smith College. But because Mills was here, she got involved (and because her mother was a member as well).

It was a very easy thing to be involved in. Three meetings a year, always informational about Mills, always very pleasant, a joy to go on that campus. I did the same sorts of things I do anywhere. I participated, and they asked me to be president and I said, "Fine," and it was no problem.

They had a terrible time finding somebody to follow me, because these women didn't want to play a leadership role. They wanted to pay their dues each year, with some additional for a scholarship, which was one of the aims of the group. They wanted to be informed about Mills, but they were not people who wanted to play a leadership role. Finally we got ahold of Joan Lane, who was a new member. We were increasing membership, because the more members we had, the more money we'd get for scholarships and the more people knew about Mills.

Morris: It was primarily an outreach kind of thing for Mills?

Luttgens: Yes.

Actually a woman who was president long after I was, Jane Drexler, died within the last two years and left \$100,000 to Mills. And, of course, they immediately got out a letter to all of the members of the Mills Associate Council saying Jane Drexler has set such a wonderful example.

Joan Lane called me, and I knew Joan to be a competent person. She said, "They've asked me to be chair. I just want to find out if there are any problems." I said, "Joan, it is no problem at all as far as you're concerned—the meetings that you have to run, you don't have to be running over there all the time to keep in touch unless you want to, and it's perfectly possible if you do want to, to do that." So she became chairman. It was an easy job and a very pleasant association. I very seldom get over there now, but am still a member.

We did at that time advise Rob Wert that women were going to need quite different skill-building. They started a department of administrative and legal processes which became one of the most popular majors at Mills. It was started with a grant from Carnegie, I believe, or one of the eastern foundations. It came about because several of us from the Mills Associate Council met with Rob, who asked us if we would have lunch and talk about what we saw, as women in the corporate world, was needed for different kinds of training. This does not replace business school or

Luttgens: legal training, but is a precedent to that. It's a mix of history, economics, mathematics and accounting procedures. It became enormously popular.

I don't know what's happened to it recently. They set up an advisory committee to that, which I served on, and that was fun because they had some people from the business world. One of the things they were trying to do was to establish internships in various corporate settings for students to try out career choices first hand.

Morris: Just one course or a series of courses that you--

Luttgens: It was a whole major, with a series of courses.

It became so popular that they built it into the regular curriculum, as it is funded now without a lot of outside help, although part of the reason for the advisory committee and the visibility was they also were looking for some corporate funding for Mills. That was a nice association.

Finally there didn't seem to be much purpose for the ALP (Administrative & Legal Process) Advisory Committee, I didn't feel. They did a little survey and asked everybody. Attendance was dropping off and so forth. There really didn't seem to be much reason to have that appendage continue.

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[Interview 3: July 11, 1988]##

Luttgens: I'm going back now to pick up things you asked me earlier. You mentioned the Stanford Presbyterian Hospital Auxiliary and one of the points you questioned was the conversion to Presbyterian. I wanted to comment that after Stanford Medical School had moved down the Peninsula and the whole institution up here was really floundering as to what it should do, the Presbyterian church--that was the regional organization--came in and said that they would like to be attached to the hospital. Ray Hanson was extremely active and was the person who did most of the legal work on the change.

The idea was that the Presbyterian churches would support the hospital. Quite frankly they never did do very much. The name was extremely helpful to provide a base but it was not what everybody had hoped as far as money flowing in and that sort of thing. So that was a bit of a disappointment.

Burke School Long Range Plan

Luttgens: You mentioned the parallel activities, and we did talk about the Volunteer Bureau and the San Francisco Day Treatment Center and so forth. There was also the Burke's school long range planning committee.

I was on the [Katherine Delmar] Burke School board and was actually vice chairman of the board and it became clear that the school needed to change directions somewhat. We spent about three years studying how the school should change. Miss Barbara Burke had told us, "If you become coeducational, don't call it 'Barbara Burke's Coeducational School.'" The point was if it should be some sort of coeducational institution, it should be big enough so they could offer a variety of courses. That was how that worked out.

Morris: Had your daughter gone to Burke's school?

Luttgens: She had gone to Burke's and that's how I became involved with the board. I was head of the mother's committee at one point. Though it was never really my cup of tea, it seemed to be something I could be helpful on.

We had a headmaster, Nickels Huston, who I liked very much. He and his wife lived a block away, they were from Denver. I

thought he was doing a very interesting job when he was fired. I remember it distinctly because he and his wife were coming for dinner and he called and said, "I don't think under the circumstances we should come for dinner," and they left San Francisco almost immediately.

I think it was because the school was going through such a transition they were not ready for the kinds of things that he was suggesting that they do. Then they sought a new headmaster and that was when the board appointed David Fleishhacker, who has been there ever since.

It was a difficult period for the school. Having been critical about the board and the fact that they had fired the former headmaster, I was then asked to come on the board. I thought, "Well, I guess I have to. If I've been critical I need to get in and find out what's going on."

So I did join the board and was there for the maximum term which was about six years. Dr. John Piel was the chairman of the board and he was very supportive of what we were doing on the long range planning committee. We ended up with a much strengthened board and a new headmaster (David Fleishhacker). We helped get University High started and stood out of the way while they raised money and then, of course, we had to raise our own money. It was a very challenging period of change for the school.

Morris: That must be difficult.

Luttgens: It's a hard thing to do because we had a great many people who couldn't see the big picture of what was needed in San Francisco.

John Piel had a wonderful vision. He used to say, "I have this opium dream where there will be small elementary schools that will come together in a larger middle school and be coeducational and a larger high school that will be coeducational, or perhaps more than one."

Just today I had lunch with Ray Cortines and a couple of other people--the [San Francisco] superintendent of schools--and I said to him, "What is your highest priority right now?" He is very interested in having a long range plan for the current school system. But he also believes in the integration of all of the school systems from an standpoint of collaborating in activities--for example, community service--for all students and mix them up--private, parochial, public schools--so that

they learn about other people. I applaud that. I think he's got a big picture of what would be good for San Francisco.

Morris: Is this John Piel the pediatrician?

Luttgens: Yes.

John was a very good chairman. We opened up a lot of the process. We had workshops, again the same thing that we did with the Hotel Tax Advisory Committee, and other activities; we had a day when parents came and we talked about the school. We heard from a psychiatrist and some other people about what young people were really interested in. There was a lot of feedback between parents and participants. The school hadn't done that for a long time. They had had mother's meetings where you were put in a little pigeonhole, but there wasn't an all-school discussion. And students were present, talking about how they felt for the first time, and a lot of father participation. It was a good process.

Volunteer Training

Luttgens: Every once and a while I would be asked to talk on a special subject that for one reason or another was outside the usual stock of things that I did.

There was one talk that I came across that I gave to the Junior League Placement Committee. They wanted me to talk about interviewing, so I researched how to interview.

Morris: Good, good. I would like some tips. [laughs]

Luttgens: No, you don't need that.

I had fun doing it. I'm going to refer to this pile of articles I collected, not because it's anything terribly unusual--but some of the things were that an interview is basically a communication system. We talk about subjects, the encoding devices, transmission systems, attitude. Remember, these are for young women who are interviewing other young women for placement in the community and so they'd want to know how to interview their peers. "No longer the shrewd detective, forthright honesty and frankness build a better relationship."

"Interviewing skill rests substantially on developing skills in human relations," so there you are. Time to think at

the end of each interview about what was successful. There was something in a book or an article by Stephen Richardson called "Interviewing Forms and Functions," in which he talks about guggles. "Guggles and interruptions are discovered on tapes, usually 'ah' singly or doubly or triply voiced by the interviewer indicating he wishes to say something." Richardson describes this as a guggle. It has the purpose of shortening a response, perhaps necessary when the interview strays from the matter at hand, usually unconsciously voiced--"Ah, ah," that sort of thing.

Morris: [laughs]

Luttgens: Then there is a nice little piece about choosing a vocation, "Giving advice is like kissing, it costs nothing, and it's a pleasant thing to do--there is some relevance to counseling. Everyone feels qualified to practice kissing and most everybody does it at some time. Objections to kissing are usually not clearly stated but are not entirely intangible. Kissing itself is apt to be so satisfying that there's little tendency to evaluate it otherwise." Anyway, there's a lot of discussion about the lead placement interview. "New ways for volunteering call for use of skills as well as energy, complement rather than supplement," which was a theme of mine that I felt strongly about. Volunteers should not be looked at supplementing something but complementing--adding to.

There was another special thing I did once on networks for Alumnae Resources about how networks are formed--delicate as a spider web but strong as the Bell System. "Remember that there are two parts to a network. You aren't just getting something from somebody but you are there to be of assistance." Every time I had to do one of those talks I thought it was kind of fun.

Bank of America Community Leadership Course; Volunteer Career Paths

Morris: And you were thinking about and speaking about the network idea how far back?

Luttgens: Must have been late seventies, I would say.

Here's something from 1972, that we did for the Bank of America community leadership course. I spoke about various new groups like corporate volunteers developing.

The Volunteer Bureau contracted--were paid, I believe, through a contribution to the Volunteer Bureau of San Francisco--to put on a leadership training course for mid-management people at the Bank of America. They were set up in the afternoon, four to six p.m. on four different weeks.

I went to the first session because I wanted to find out what it was like and it was dull as dishwater. The people that were there were almost all white males, only two women. There were about twenty-five of them. They had volunteered to take this leadership training. The idea was that the Volunteer Bureau would then place them in a board position or somewhere in the community.

John May was the last part of the program and I said to him at the break, "John, if you don't do something to jazz this up nobody's going to come back next week when I talk." So John threw away his notes and talked informally about his role in the San Francisco Foundation, and there was a lot more interest.

I was supposed to talk about democratic principles and I had heard a very funny joke, I thought, from a woman who was the head of the Health and Welfare [Agency] for the state of California. I figured if she could give this joke that I could use it. So I used the joke and then I referred to it through the talk, and I think I got more of a response. I started out by saying, "How many of you already serve as volunteers," and there were a number of hands that went up. "And how many of you now serve on a board or a policy-making body?" The point I was trying to make is that you volunteer if you work in your church to help others. There are lots of ways of volunteering which don't mean going to a volunteer bureau and getting a job. I found out that almost all of them were involved in something of that sort already, and they needed to look at an expanded scope. Then I went on and talked specifically about volunteer activities. This course was a rather sterile function I thought. It could have been vastly improved.

Morris: Did it come out of the Bank of America Foundation?

Luttgens: No. Bill Bessey, who has just finished his term as chairman of Friends of the Library and had left the bank some time ago, was a community relations person; it was not the foundation. Bill thought it would be a good idea to have some of the management people be exposed to some volunteering. It seemed like a great idea, but it just didn't quite jell in my mind. I had the feeling that the people who had volunteered did so because it would look nice on their records that they had volunteered--

Morris: --because the front office had said this was a good thing to do?

Luttgens: Yes.

One of the women who was there that day I followed with great interest. She moved on up in the bank then left. I believe she's now down at Stanford in the business school in some sort of administrative function. So she left the corporation and got involved in academia, which was great.

Anyway, we talked about how you choose your volunteer responsibility and all that sort of thing.

Morris: Do you think that many people give that some thought--how an individual decides on what volunteer activity to pursue?

Luttgens: Yes, I do think so because I have had people, women, particularly in corporations, who have asked me to suggest some areas where they could volunteer. I've met with them and talked with them about what they're interested in and then suggested a couple of places and made the phone call to somebody to say this is somebody who could bring something to you.

One woman, in particular, worked for one of the Blues, either Blue Shield or Blue Cross, and was asked to go on two health organizations' boards at the same time, both fairly high-powered. She was trying to decide which one to go on and I, after talking with her a bit, found that she really was looking for some visibility and exposure as far as her abilities were concerned in relation to her professional job. So I finally recommended to her that one would probably have the kinds of people she seemed to want to know better and demonstrate her skills. I don't know which one she took, but it was sort of a reverse situation. Most volunteers try to demonstrate skills to get a paid job; here was somebody in an executive, paid job who was fairly high up who was looking for visibility through volunteer experience.

Social Concerns and Cultural Boards

Morris: That's interesting. I was thinking about it also in the really large choices between volunteering in the health, education, and welfare activities and the cultural organizations.

Luttgens: Well, of course we did talk about that a lot in the paper that Arlene Daniels and I wrote. I think knowing what it is you want to do is terribly important. That's why volunteering, I've said over and over again, offers you the chance to sample a variety of things. You don't have to get so deeply involved but you can sense the ambience of the kinds of activities that go on.

If you want to be involved with social things and with the moneyraising part and the parties then you probably want to go the cultural route. If you want to be involved more seriously in issues that have to do with health, education, and welfare you go another route. If you're interested in the political scene, which is very fast-moving and very much an advocacy role, you need to recognize those qualities in yourself. It is not often that you move from one to the other. You usually develop an ability and a track record in one area which doesn't always transpose to another area.

Morris: You classify political activity as a form of volunteer activity?

Luttgens: Oh, sure. To support candidates, to work on environmental issues--that's pretty political, neighborhood issues--that sort of thing. I consider that political. I don't mean just electing officials, but certainly that's included.

Morris: Does that have any implications for how people give their money or differences in the way you raise money?

Luttgens: It has in the past. The people who serve on the major cultural boards are expected to give--they are large-donor boards in most cases. I think that's changing as they realize that they also need to reach out into some of the areas where people may not be capable of giving such large funds but can bring a whole constituency with them. I think that's changing.

The same's true of the early welfare boards too. You look back on what Mrs. [Nion] Tucker, recently deceased, did, the kinds of things she started. Just bringing that social prestige and the people that wanted to be with her who were her friends. Caroline [Charles] did, of course, a great deal of that. She was such a respected person that she could bring all kinds of people along with her.

A lot of the stuff that's been written about citizen boards is very old. This was 1970, by Harleigh Trecker.* He wrote a number of things that were very good. It's only recently that people like Brian O'Connell, who has done a board book for IS [Independent Sector], and others are now beginning to write books about boards and about volunteering activities.** But there wasn't a lot written.

When I started to research some of this I had to go way back to hunt around for things. Trecker had one rather interesting comment I thought, "Conflict among individuals is like any form of energy: locked in it builds up pressure for the eventual blow-up. Permitted to escape bit by bit and dissipate itself with hasty expedience, it becomes useless; handled with respect and a point to purpose it's a force which can move the earth." That's a marvelous concept, I thought.

Here's the one that I know you have. It's the one I did at the Berkeley YWCA in 1977 when you were on that board.

Morris: Actually I'm not sure that has survived. That Y has undergone a lot of change.

Luttgens: I'll leave it with you then. I thought if you looked through these--I don't have copies of them and you don't want all of them but I thought a couple of them would give you some ideas.

This was one I did in 1973 when I spoke to the Berkeley Soroptimist Club. The title was "Human Care Services: Who's Responsible For What?" Again, I did a lot of research and they were a little bored with some of the background, but I thought it wouldn't hurt them to know about what happened in the colonial period and the federal period and all that sort of thing, that the first community chest was established in Denver in 1887. Then really tracing what was happening, with the government taking on the really massive problems which the nonprofits couldn't handle; although the non-profits, the family services agencies, for example, were the first that really started out supporting people, giving money here and there to keep them employed. This tied in to what we were doing at UBAC [United Bay Area Crusade], because we were celebrating the 50th anniversary year in the fall of 1972 and summer of 1973. Then

*The Citizen Board at Work, Association Press, New York. Also, Harleigh Trecker, Building the Board, National Publicity Council for Health and Welfare Services, New York, 1954.

**The Board Member's Book, The Foundation Center, New York, 1985.

talking about what was happening in the expansion of community chests.



Mrs. Luttgens presents tribute to Peter Arnstein on his presidency of United Community Fund of San Francisco, 1964-1965.

VII FROM UNITED COMMUNITY FUND TO UNITED WAY, 1958-1975

Social Planning Committee

Luttgens: Did you ever have a copy of the report a committee that I served on with Caroline put out, that was looking at who should be funding what? It was set up as ad hoc committee of the Social Planning Committee of the [San Francisco] United Community Fund, which was asked to formulate an approach to the study of public and voluntary welfare services. The conclusion of that committee was that

the enormous expansion of welfare services in the U.s., which took place most dramatically in the 30s has resulted in drastic changes...Now public welfare administers programs which account for by far the major portion of the welfare dollar. This has necessitated continuous and careful review of the role of public and voluntary agencies in each community...in light of the local community's needs and finances, and with regard for the welfare of those served.*

There is no pat solution. "Necessary information" should be provided "to make these all important decisions as they arise."

That report which I pulled out was called a white paper. It started because Msgr. [James] Flynn, who was on the Social Planning Committee said, "Should we be funding child care when there is available government money?" It was a very comprehensive committee. I learned a lot from Caroline's

*"Essential Background Information for Social Planning and Budgeting in the United Community Fund of San Francisco," February 1961. Copy in supporting documents accompanying this volume in The Bancroft Library.

chairmanship, of course. The committee was authorized in 1958. The report was finished in 1961. There was one person from [the] Health Council [of UCF] and one from Family and Children's Council, and one from Group Work and Recreation Council, so each of us was developing the background in chronological order of what had happened in each of those areas in San Francisco. I thought it was a very useful report.

Members were Lexie Cotton, very involved in mental health, Leslie Ganyard, Leslie Luttgens, Mrs. Keene O. Haldeman, and Bob Sinton. Bob is still alive. Frank Moncrief was the research director, and Caroline was chairman. We went through the historical sketch and ended up with no clear-cut breakdown of responsibility between public and private. The thing I came out of it realizing was that the voluntary agencies have to be flexible because they must be able to look ahead and see where the next issues need to be addressed, at the same time continuing to support those that are not adequately done or are misdirected as far as government is concerned. It's an opportunity for the private sector to leverage some of the public money available.

Morris: At that point, was there a concern about the amount of money that was being raised by UCF and whether it should be allocated differently?

Luttgens: Yes, that was the point of Msgr. Flynn's question when some child care agencies wanted to be supported by the UC Fund and had been supported by the UCF fund. He represented Catholic Social Services; his question was: Should we stop private funding now that there's government money for child care? That's what kicked the whole thing off.

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Luttgens: I know today we are supposed to talk about social planning and UBAC. I think I mentioned when we first got together that the way I got involved originally was as the Junior League representative to the Group Work and Recreation Council--there were two of us from the League. I moved up through those chairs to go on the Social Planning Committee of the United Community Fund.

Eva Hance was the staff person for social planning at that point. Ray Baarts was the head of the United Community Fund I believe--the executive director.

Eva was very good, I think. My impression was that she was very good. She wasn't a vigorous leader but that was kind of

the role of social planning at that point. They were really quite organized. Each year they looked at and established priorities for what the community needed, passed that on to United Way, or United Community Fund at that point, and then UCF was encouraged to fund some of those agencies. In other words, those were to be the priority services.

That wasn't done any more once social planning was eliminated when we were absorbed into the five county organization. There wasn't the vehicle to move from the three structural groups to bring in the problems and the needs and have them filter up through the Social Planning Committee and then on to the United Way, to allocations.

Learning How the Community Functions

Morris: When you were invited to become part of the Group Work and Recreation Council and then onto the Social Planning Committee, did you see that as a promotion or a step upward in how the community operated or recognition of your own experience?

Luttgens: Oh, yes, I think so, because I was moving up the career ladder within United Crusade and then was present at the merging of the five [county organizations into one Bay Area-wide body]. I was doing that but I was also doing other things. I was also working at the Presbyterian Hospital, with the auxiliary, and I had jobs in the Junior League in a variety of committee chairmanships.

Morris: The combination and balance of the different organizations you were working with--did you see that as all part of a career?

Luttgens: I really didn't. I just was enjoying what I was doing, I was learning things. Now as I look back on it, it was a developing career but I didn't think of it as that at that time. There was always something else that was challenging and interesting to do when I finished one thing. Usually it was a step up or it was a new area to learn about. I've told you I'm a generalist, I'm not a specialist; so I didn't feel as if I had to look at each step of a particular activity as moving up in a particular field. But overall I was learning organization, interpersonal skills, how to work with boards and groups, how to draw agendas, all that sort of thing--the sorts of things we write about in the paper.

Morris: And how San Francisco functioned as a community?

Luttgens: That's right, how a city functions. It's always important to know who's doing what and make your own judgment, and from that you draw your own network, the people that you can rely on to ask for advice or assistance and those that turn to you. You don't always do everything they ask you to do but, by and large, I learned so much from a great many people that I've always tried to give back to those who ask me for assistance.

Morris: Was Leslie Ganyard on the committee that Caroline chaired?

Luttgens: Yes.

Morris: Was it a team kind of a thing?

Luttgens: Yes. Some of those people were professionals. Lexie Cotton was a professional in the mental health field. Caroline, of course, was a volunteer and Rev. James Flynn, he wasn't a Monsignor yet, was the professional person for Catholic Social Services. Leslie was the Rosenberg Foundation director; I was a volunteer. Mrs. Haldeman was a volunteer, she was head of the Group Work Council. Bob Sinton was a volunteer. So it was half and half, that's seven people, which is a good-sized committee because you can give assignments.

Morris: Was that your first exposure to the Rosenberg Foundation?

Luttgens: No, I already knew about the Rosenberg Foundation because of the project I told you about the other day that the Junior League did when we were interested in doing something with Youth for Service, Rosenberg had already been funding that project.

Leslie lived around the corner on Divisadero Street and down a few blocks. After she retired she used to walk by from time to time with her dog and would come in and talk. We'd talk about Youth for Service or some of the other things that she was very interested in still. She had very bad arthritis, but she kept very interested in what was going on and the various agencies.

Five-County Fund Allocation; 1965 Citizens' Survey Committee

Morris: Before the five-county merger itself, there was an effort at area-wide advance giving. Would that have been something that you got involved in? In other words, sort of preliminary stages to the merger.

Luttgens: Yes. In 1965, Austin Morris was vice president of the United Community Fund of San Francisco. I was the secretary. Peter Arnstein was president, that's when we folded out [social planning]. But this is the appraisal of Federated Financing and Community Planning for Health and Welfare in The Bay Area--

Morris: That's an impressive file.

Luttgens: "--final reports of the Citizen's Survey Committee and the report to the board of directors in June of 1965 recommended that the board should take positive action to support the three major recommendations of the report. One, the formation of a bay-wide planning organization; two, budgeting by UBAC on a Bay Area basis; and three, the strengthening of UBAC and the merger of the county united funds into the UBAC corporate structure."

All of the recommendations were listed. There was a lot of back and forth, there was a lot of give and take. The San Francisco Fund was the most highly organized and therefore it gave up its three councils so that each county had a similar structure. It shoved the social planning function into the Bay Area-wide area. One of the recommendations was that there be uniform inclusion or exclusion throughout the Bay Area of the same service agency. In other words, if an agency were present in one county it should be present in all. Of course, they weren't all present in all counties.

Morris: Can you recall an example? I think about the Girl Scouts and Boy Scouts which are in every Bay Area county.

Luttgens: --and American Red Cross, Family Service Agency comes to mind. I believe there was a Family Service Agency in each county. Three agencies were concerned, the San Francisco Heart Association, the San Francisco Association for Mental Health, and the United Cerebral Palsy Association of San Francisco. It's my recollection that there were not local groups, they were all San Francisco-based and funded.

Morris: The San Francisco groups of these three agencies that had a presence that reached out to the other four counties?

Luttgens: That was the idea, that services one county had, all counties should have. The United Community Fund of San Francisco had more reserves than the rest so the question was: What do you do for the donors that have left money to San Francisco? There were a lot of things that had to be ironed out. It was not an easy time at all.

Morris: What kinds of other differences were there that you became concerned about with the other counties? In other words, what did Alameda or Contra Costa County have as either their unique strengths or--

Luttgens: I don't recall specifically, but San Mateo was also always sort of the recalcitrant member. They wanted to go it on their own. One thing I'm picking up here, the hospitals were part of the San Francisco scene but I gather were not in the other counties.

It was at that time that San Francisco hospitals were dropped out of the fund because they couldn't separate the hospital budgets carefully enough to see where the United Community Fund monies were going. It was going into one fund which was the hospital fund, but they couldn't delineate them carefully enough to assure that they were providing services earmarked for indigent patients as opposed to providing operating funds for the core hospital. That was a very sore point for many years.

After that, the only hospital or health funding that was done was for special services like mental health, for example, in those hospitals that had mental health services. It was an angry kind of action that went on because the hospitals felt as if they had been shafted. United Crusade didn't know how to handle it too well. There was a committee that looked into it.

A Separate Bay Area Social Planning Council; Perception Problems

Luttgens: Remember, it was at this time that Bay Area Social Planning [Council] was formed and taken out of the United Crusade structure. BASPC became a separate entity funded by United Crusade and was five-countywide. The understanding was that United Crusade would provide X number of dollars. I wish I could remember exactly because it was a substantial amount when it was first formed. It supported a fairly large staff. Then BASPC would contract with the United Bay Area Crusade to do reports for admissions and for special projects that were requested by the Crusade. This is the first report, for June of 1970 to 1971, a program report for the Bay Area Social Planning Council. The kinds of things that they did were services to the United Bay Area Crusade, services to voluntary community agencies and organizations, services to governmental agencies, and other major community services. That was a point that became very sticky.

United Crusade on the one hand was saying we can't give you as much money as you would like--it was in the nature of \$700,000--so you have to start generating some of your own money. That was when BASPC started to serve other agencies for a fee so they weren't totally reliant on the United Crusade money. In other words, United Crusade was saying we aren't going to sit by and fund you and have you do studies for all these other groups that really aren't doing anything for us. We'll only pay for the services you provide us.

So BASPC still continued to provide services to the budget panels, did admission studies for the membership committee and did special studies. I have a whole box full of special studies.

Morris: I remember things like mental health services and mental retardation services. There were staff people but then there were large advisory bodies that were not only private agency board members and staff but governmental.

Luttgens: That's right. They sought a mix. Mortimer Fleishhacker, Jr. was the first chair of the Bay Area Social Planning Council. They fed in a lot of the people who had served on the Bay Area Welfare Planning Federation, but also tried to open up and bring in some government people. They had private-agency people and public-agency people on the board.

In 1969, I was elected chairman of the Bay Area Social Planning Council's San Francisco operations. I had served on the Bay Area Social Planning Council from the beginning. But each county had its own county planning group. United Crusade had a group in each county also--trustees. So you have an enormous number of volunteers, and in many ways that was good because people were involved. Some were involved in planning, some were involved in United Crusade, I was involved in both. I served on the board of both of them, chaired the San Francisco Social Planning Committee, was vice chair of the San Francisco Crusade trustees along with chairman Dick Miller. I had feet in both places and was hearing the problems that were going on from both sides.

I can remember Larry Hoyt from Southern Pacific, who was very involved in campaigning. I can remember him saying to me, "Leslie, I wish you'd tell me what the Social Planning Council does. It's getting an enormous amount of money from the Crusade," so I tried to explain to him but he really didn't see the value of planning.

So they were tying the social planning budget to services provided to UBAC, not to providing planning services for the whole Bay Area.

Morris: It was money that child care agencies and health and welfare agencies did not have?

Luttgens: That's correct. I thought these BASPC studies were valuable. They made recommendations on other major community service areas that the Social Planning Council thought were important to the Bay Area. There was a study of Chinese newcomers in San Francisco,--

Morris: What's the date on that?

Luttgens: --1970 to 1971. That study was chaired by Stanley Mosk; Harry Low served as vice chair. It included a number of members from the Chinese community. I remember attending their meetings because I was chairing the San Francisco Planning Council at the time. The availability and use of emergency funds in San Mateo County was another. A position paper on public welfare and poverty, a position paper on housing for San Francisco skid row residents, information and referral services in San Francisco-- I've got probably the biggest file you've ever seen on information and referral, that committee went on for years and years--unmarried mothers in the Bay Area.

These recommendations were perceived as coming from outside of the individual county agency structure. They came from county units of the Bay Area Social Planning Council. They had no relation to United Crusade activities except in the larger sense. And they did not come about as a request from the United Crusade. They had to generate money for these or else have them paid for by United Crusade, and that's where the bad feeling began to develop. In many parts of the country, social planning was becoming an integral part of United Crusade whereas in the Bay Area we'd gone the other way. It now was a separate entity, had a life of its own, had to raise money, was going to foundations for money, was going not to individuals but getting money from United Crusade.

Morris: Do you remember why the Bay Area went the divestment route when other United Crusade communities were going to consolidation?

Luttgens: Because the Citizen's Survey Committee thought that's the way it should be done. My theory is that almost everything has been done. It's a question of which way--which combination--you're going to do each year--

Morris: --is going to work for your individual situation.

Luttgens: --and I frankly have forgotten the reasons why it happened.

Morris: It must have been odd to have been the president of the San Francisco unit and also on the area-wide board of such a thing.

Luttgens: No, that was normal. In other words they had--you're speaking of social planning?

Morris: Right.

Luttgens: That was normal. The chair of each of the county units of Social Planning also served on the overall board. That was the whole regional structure--regional spreading out to local. In the United Crusade it was the same thing except that the trustee bodies were quite separate. They really did not do very much for the trustees.

Morris: --because the staff was the--

Luttgens: There wasn't a lot of staffing, no.

The current United Way has gone through a period of developing two structures at the county level again. They don't call them planning, they call them agency relations and campaign as I recall. But they are, in most cases, unduplicated citizen bodies in each county. My concern about that has always been that it takes a lot of money to housekeep those large groups of volunteers. If they pay off in terms of bringing in more money for the campaign, representing a more diversified citizen membership through agency relations, then it may be worthwhile.

But I have had sort of a dim view--sort of a deja vu feeling about we've been through this. My chief problem in having the local groups reporting to a centralized body is that, unless you're very clear about the expectations of what the local group is supposed to be doing and what the limitations of what it can do are, you get into a very provincial situation where Marin is saying we're not getting enough money for thus and so, and San Mateo is saying you're not paying enough attention to our needs, and there's a lot of squabbling there and a lot of bad feeling. I'm not saying that's true, I'm saying that's something that is possible and it's one of the things that was painful to work with in the early days of United Crusade and the Social Planning Council, where the groups were looking askance at one another.

Morris: If I remember correctly, Florette's [Pomeroy] view was that the goal was always seen, by the United Crusade professionals and probably select trustees, as being an eventual merger of the campaign fundraising and the allocation and social planning on a five-county basis.*

Luttgens: Well, actually that's what happened when the Social Planning Council was pretty much done away with. It was all brought in under one roof. Then it's moved out again recently, that's really what I was referring to.

Emmett Solomon was head of the Citizen's Survey Committee when he was chairman of Crocker Citizens' National Bank. They did accept the report. They said it should not be accepted as an absolute blueprint, that an implementing committee would have to deal with further clarification of local planning vis-a-vis central planning. There needed to be a coordinated approach to national, state, and local foundations, there was a need for recognition for district councils in San Francisco extensions. We had four district councils in San Francisco.

Morris: --within San Francisco City?

Luttgens: --I'd forgotten about that.

We had an information and referral service which was five-county wide, which was dropped after about two years because it was so expensive to run. That's why I had such a big file, because I felt strongly they shouldn't drop it. I thought it was too important to maintain and, of course, people are still trying to bring it back--it has been redeveloped at United Way again.

Morris: Does the improvement of computer services make keeping an information and referral service--

Luttgens: --much easier. Actually it was started outside United Way by a group called Project One as I recall. They were using computers. They sold their product to the Social Services Department--I think it was \$100 a year for each agency that participated, which was not very much, and it would be updated from time to time. I think the Social Planning Council was pleased when somebody else developed it. I think United Way eventually plugged into it, too. But Project One isn't going any more. I don't remember the evolution from Project One to

*See Florette White Pomeroy, The Caring Spirit, California Social Welfare Issues, 1932-1982, Regional Oral History Office, University of California, Berkeley, 1984.

the present information and referral system at United Way. There's no question but what it's a lot easier. They do use some volunteers.

I'm trying to see if are any other points in here. These were the concerns that the agencies raised. The difference between national agencies and local agencies was hotly debated. The national agencies, as I recall, were sort of grandfathered in and the local agencies had to establish their need to be in. As I pointed out earlier, there was supposed to be the same agency in each county or similar services in each county.

Hospital Funding Issue, ca. 1970

Luttgens: No specific references made to the participation in Crusade by San Francisco hospitals, "however, in view of the history of objection by some counties to their inclusion, the board of UCF [United Community Fund] points out the necessity of assurance of their continued support substantially at the present level until such time as another level of UBAC support shall be determined by a competent body mutually acceptable to UBAC and the hospitals involved." That was the committee that was put together to look at it. As I recall it acted as I described, that only prescribed services would be supported.

Morris: I get the feeling, maybe just because we're talking about it together, that the hospital fund would be about the same kind of dollar amount as the social planning function.

Luttgens: I've forgotten how much it was.

Morris: --a sizable piece of money?

Luttgens: It was a sizable piece and the thing that they were really concerned about was it was starting a new era in health care. As you recall, the government was getting into much more funding. Mark Berk, the director of the Mt. Zion Hospital, who was a brilliant man--I can remember Mark saying, "This will all be moved. Everybody will have to have health insurance and the government will be there providing a lot of the money. So there's a period of transition, but it should be taken care of elsewhere."

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Morris: The pendulum has swung backwards now?

Luttgens: The pendulum has swung back to the place where hospitals are now providing some care again through volunteer doctors, which had been thought was not going to be needed--everything would be reimbursed by the government. But, as you know, because of the government cutbacks there are people in the middle that are being dropped and are not getting care. The very poor are receiving care, but some of those that are a little bit further up the economic scale are not. The county hospital--the general hospital--isn't able to provide as much care as it could and again hospitals are talking about, as a community service, providing some services to people. So back around the circle again we go. There is a lot of hot discussion. One of the groups that was concerned about their role was the agency representatives body, because they saw themselves being shut out. There had been a group of agency heads who had a very strong role in what was going on--agency executives--and that's what Florette, I think, may have been referring to also. They were very unhappy about this. There was a group then established for the agency people but a lot of the damage was already done. They felt they had become second-class citizens.

Morris: The idea of an association of agency executives did not work out very well in practice, is that what you're saying?

Luttgens: As I recall--I was lucky to see what was said here in the comments from the agency representatives to the plan. San Francisco felt that with Bay Area budgeting their agencies would not get the level of funding that they had gotten before. That's what they thought they were having to give up. Rather than bringing services up to the San Francisco level, they felt San Francisco services would be pulled down. Hospital representatives were very vigorous and had great concern about their continued relationship. I'm looking to see what they said about their own role. I can't find anything specific. But there was a lot of anxiety on their part.

Morris: Was there anything that you could do as one of the social planning leaders to resolve their anxieties?

Luttgens: I'm sure we had agency executives on our council. Let me see if I can look through these names quickly. Yes, Gil Marquis who was head of the Association for Mental Health, Eugene Boyle, while he was pastor at the Sacred Heart Church. They're really pretty largely volunteers from a variety of backgrounds.

Morris: You have David DeMarche as the staff person.

Luttgens: Yes, he was the staff person and was a very, very good support person for Florette, and very good with the group, easy--not a

hard driving person at all. Ray Baarts, I guess, was still head because I remember Florette's interview indicated that she would have been a superb executive but it just was not the time for a woman--they weren't ready, let's put it that way.

Morris: I was thinking about this specific matter of resolving the anxieties of the agency people.

Luttgens: I think we simply had to work through and try to keep the communication open so they didn't feel shut out. In looking over this list, I don't see very many people who were agency people. Somebody from the San Francisco Council of Churches, Alan Wong for the YMCA--I'm only counting about four people--Joe Mignola who was then assistant director of Public Health Hospital Services, Earl Raab from the Jewish Community Relations Committee. Almost everybody else was a volunteer of one sort or another. So they just didn't have the strong role they had had before. They didn't have their councils, their Group Work, their Health, their Family and Children, to go to where they could actually make recommendations that would move up the chairs.

I look back at this report and I realize what an enormous effort it was. I really haven't read it for a long time. I'm just scanning it now. There's something here that talks about the recommendation that the five county funds dissolve and each name UBAC the successor organization. The rationale is "the decentralized structures destructive of staff morale" and so forth. I need to read that as opposed to just picking it out of the blue.

Fundraising: Women as Vice Chairs

Morris: To what extent did you also get involved in the annual fundraising campaign side of the--

Luttgens: I was never involved in the campaign except as an individual campaigner who had a very small assignment. I never headed the campaign, which was the usual route to become president of United Crusade.

Morris: --via campaigns?

Luttgens: That's right. You became campaign chairman and then you became president after that, and that was the route then. See, I skipped that whole piece. I worked on the campaign, as I think

I told you before, when I was with the Junior League as an individual volunteer. I worked with the women's cabinet which did some campaigning, but I was never an officer of the campaign. As president of United Crusade, I attended the campaign cabinet which was all men, breakfast meetings at the hotels at seven-thirty in the morning, and sat there while the campaign chairman reported and I brought the word from United Crusade--you know, "Keep up the good fight," and that sort of thing. But I was really just there as an organizational head and to say a few inspiring words.

Morris: When the merger came about, where did you then end up in the new United Way organization?

Luttgens: I was on the board of each of the structures--the Bay Area Social Planning Council and the United Bay Area Crusade. I was a member of the San Francisco Crusade unit and I was a member of the San Francisco Social Planning Council and then it was out of that that I moved into the additional responsibility to chair the San Francisco Social Planning Council in 1969 and to be vice chair of the San Francisco unit of United Crusade. Actually I really ran the San Francisco Crusade unit. Dick Miller wasn't very active.

Morris: --because of his own other business responsibilities?

Luttgens: He worked for PG&E; his mother, of course, was Mrs. Robert Watt Miller. He just wasn't a very active person. He was very good about coming to meetings, chairing meetings--I think he liked being involved--but I don't think he had a great vision as to what we should be doing. As a matter of fact, I'll have to look back over my file and see what we were doing.

Morris: Would it be because he knew that he had somebody very responsible and competent as his vice chair so that he could--

Luttgens: I think maybe it was the other way around; because he wasn't doing anything, and I filled the vacuum. That's sort of the feeling I have.

Morris: Does that happen very often? It's a fairly large board of directors, isn't it, to fill it with people who are going to spend equal amounts of time and thought? It seems to me to be a complicated and difficult problem.

Luttgens: I think that women generally have played that support role; many times they are running the organization for a busy figurehead man who exemplifies something to the community. "This is a man in business who is putting time in on this." I think that's

changing as men see that they can really do a great deal more than just be named president and preside at meetings. But it's been my experience that in many cases women were the ones who were really running the show as vice chairmen. Now I'm getting the credit for being out front.

United Bay Area Crusade New Directions Study, 1968-1971;
Concentrated Services Committee; Response to Third-World Groups

Luttgens: Here's a 1970 report from the United Bay Area Crusade which shows Larry Bolling as the General Budget Committee chairman and Bob Harris as president, Leslie as the Membership Committee chairman discussing that concentrated services area that we talked about and the county trustees. "Chairmen of trustees in each county also serve as vice presidents of UBAC...The elected trustees are chosen on their records of outstanding civic leadership and knowledge of their counties resources and needs. These men and women as individuals and as a group provide an effective voice in Bay Area organizational policies and decisions...continuous refreshment of volunteer enrollment in local campaign performance and in the relationship of UBAC to its member agencies.

Vice chairmen for these five counties are Mrs. Patsy Sheath in Alameda, Mrs. Jan Bonner in Contra Costa, Edwin Johnson in Marin, Mrs. Luttgens in San Francisco, and Jerome Taheny in San Mateo.

Morris: By this time, your Concentrated Services Committee is the organized response to increasing activism of some neighborhood groups--

Luttgens: Third-world groups they call themselves.

Morris: When do you recall the concern surfacing and becoming something that--

Luttgens: Well, that's 1970 and we obviously were making some grants at that point. This is that New Directions study and again this is the background document. And this is 1971. This was when we adopted new directions for UBAC and we had new eligibility for Crusade funding. We established priorities for concentrated services and that was when we developed this delivery system for neighborhood services, day care services, drug abuse services, and comprehensive health services. That's the committee that I chaired.

They assigned \$700,000 to implement other new directions, concentrated services programs in 1971. There were already some monies that were allocated in 1970 which is what made up that million-dollar fund that I mentioned. That came out of this New Directions report.

Morris: I was thinking about it the other way around. I have been told it was a fairly vociferous protest to how UBAC was operating. Had there been some negotiations with third-world groups earlier on?

Luttgens: Yes. As I think I mentioned to you, there was a committee that was established to meet with the La Raza people, we met for over an year. That was during Bob Harris' term of office. That was a result I think of the--

Let's see, Jerry Hull followed Bob Harris and it was during Jerry's term that the groups joined forces. Some of the black agencies and the Asian and the Hispanic.

[Interview 4: July 19, 1988]##

Luttgens: This was the report of the Welfare Planning Committee that Caroline Charles chaired.

Morris: Okay.

Luttgens: The committee was set up in 1959 and the report was issued in 1961. Again, it includes a wonderful summary history of health and welfare nationally and then in San Francisco. But some of the fundamental issues raised sound very similar to some of the later major New Directions report and then the 1982 Strategic Planning Report. I think that relates to what you were saying about change coming from many sources.

In the 1961 report, some of the things that you mentioned in your outline were comments that the budgeting committees were short on advice from social planning groups and that was wrong because that made the budget committees social planners. There was a question in the report about whether member agencies considered their potential for public funding and a need for evaluating agency leadership and programming, a need for uniform statistical accounting and a need to go over and verify what was acceptable in the way of supplemental income efforts of agencies. Those kinds of questions seem to continue.

Morris: Is it that it is impossible to resolve them or did, as conditions changed, the terms of those issues change?

Luttgens: I think as conditions change, there are different organizations performing those functions. With Bay Area Social Planning Council the tensions were very evident in what I was reading. That came out in the Citizen Survey Committee, which we talked about last time. The Citizen Survey Committee was 1963-1966. It was set up by the United Community Fund, and the recommendations led to BASPC and UBAC. Then out of that came the New Directions for UBAC, which was done by Bay Area Social Planning Council.

1969, President, San Francisco Social Planning Council; Juvenile Justice and Ethnic Studies

Luttgens: Now, what happened after that?

Morris: Then in 1969 you were president of the San Francisco unit of the Council of Social Planning.

Luttgens: That's correct, and it is at that time that we had a Forum Review Committee--January 13th, 1969. This is pretty good. "For some thirty years the San Francisco Social Planning Committee functioned as the planning arm of the United Community Fund of San Francisco. Then in 1965 as a result of a survey--that's the Citizen Survey Committee--this social planning group and twelve incorporated social planning agencies of the Bay Area voted to discontinue as separate entities and to support the formation of a new regional social planning structure, BASPC. The responsibility for activities related to the various fields of service was delegated to three functional councils and special committees of BASPC--aging, committee on youth, et cetera. The 1969 report recommended that those groups be done away with.

The forums, as they were called, were really the outgrowth of something I described much earlier, those councils of group work and recreation agencies, and family and children agencies, and health agencies--those three--they hung on to these, and they were quite autonomous. They elected their own officers, they appointed their own committees, determined their own priorities and took independent positions on issues. The point was to pull them in more closely to UBAC.

There was a Forum Review committee appointed--Joe Mignola, Jr. chaired it. Joe Mignola used to be the number two person in the Health Department--a very nice fellow. He was appointed chairman of a committee of nine members to undertake the project

to study this. Other members were Julia Bloomfield, Arthur Coleman, C. Thorne Corse, Mrs. John Douglas, Mrs. Luttgens, Bill Mackey, who's an attorney with Heller White & McAuliffe, John May, Tom Nagle, John Rogers, and Norman Coliver, ex officio, because Norman, I believe, at that time was chair of the Social Planning Council. Without going into all of this, after due deliberation, the committee recommended that one, "BASPC is in a position to assume a leadership role if it's to fulfill its function. It cannot do it alone but must have the cooperation of others, that forums as presently constituted are not effective instruments for involving agencies or the broader community in the social planning process."

In addition, it recommended, two, "BASPC should establish a process and structure for meaningful involvement of the community in the social planning process" and noted that "the amount of involvement increases as the council undertakes significant studies, i.e., juvenile court, unmarried mothers, New Directions."

The principle of BASPC and what Paul Akana, its director, was driving at was rather than having these councils and putting energy into that, that the BASPC would undertake what he called building-block studies--studies on a particular subject--and that as they grew and they undertook more, we would have a picture of the problems within the community. In other words, if the San Francisco council wanted a study on juvenile justice, which they did, then that would be undertaken so that there would still be the local input, but it would be focused on a problem area that would eventually build this vision of a stone or a brick wall, so you have a stone for New Directions, a stone for unmarried mothers, and so on.

Morris: But even though San Francisco requested a juvenile justice study, the study would actually involve input from the other four counties?

Luttgens: No. It was strictly a San Francisco study. As a matter of fact, that was one of the best studies BASPC ever did. I reviewed the minutes of that. It was chaired by Harold Furst of the Bank of America, who was a superb chairman. It was staffed by Bob Keldgord, who was very fine and went on to be, I think, a probation officer in Arizona. Bob was just very good. And the committee itself was a terrific committee. Dave Perlman was on it and Roe Tobriner--Roe and I were the only two women--and a number of other prominent people.

We really worked hard, very intensively. At night sandwiches were served, and we would work for three hours once a

week or every two weeks over at the old United Crusade offices on Steiner Street. We made field trips out to the Probation Department and down the Peninsula to Hidden Valley Ranch and so forth. We came up with some very good recommendations.

Morris: Did the committee members do the digging out of information or did the staff people do that and then say, okay now let's go look at this?

Luttgens: It was a combination of both. My recollection is that the committee's job was really to look at information and direct staff to get more information in certain areas and to debate what was appropriate and what was not. I've got a lot of files on that because that was a really fine study. But I did participate in a number of the other studies as well. I was not chair of the San Francisco Planning Council when we did the juvenile justice study.

I was chair when we did the Chinese Newcomers, which was also a good study chaired by Stanley Mosk. We reached into the Asian community to find appropriate Asians for that one.

The other one we did focused on the Latino population in the Mission area, which was chaired by Jim Gaither, also a useful study.

Back to this particular study, the Forum Review Committee recommended that those forums on aging and family and so forth be done away with and that BASPC could be strengthened by doing specific studies and that the county councils continue but were to have a different kind of format.

Morris: Was it a point where, as president, you felt a need to resign from--

Luttgens: No, that came later. That came about because I was involved in both UBAC and Social Planning. UBAC delivered--I think I've got that here--an ultimatum, really, to BASPC for a much smaller budget, and Social Planning revolted. I felt a conflict of interest serving on both boards and resigned from BASPC.

VIII ALLOCATIONS AND REPRESENTATION, 1968-1988

A Study Plan for New Directions, 1968

- Morris: At that point, was there already a growing feeling amongst minority groups that UBAC was not listening to them and not accepting them for funding? Was that beginning to happen?
- Luttgens: It really hadn't surfaced yet. New Directions had been started. I was not a member of the New Directions Committee, as I recall.
- Morris: So the New Directions was not the result of the actual protest demonstrations that I understand occurred?
- Luttgens: No. I'd have to look again. That came later. A study plan for New Directions--May 31st, 1968 was when it started. "The board of directors of the United Bay Area Crusade upon recommendation of its Evaluation Committee on New Directions for UBAC"--that's 1971 so that's the response--"has asked the BASPC to proceed along the lines set forth in your memoranda of April 25th," which was a letter from Ben Biaggini to Mortimer Fleishhacker, UBAC and BASPC presidents, respectively. The UBAC board's action to make this request was taken on May 2nd of 1968.

This was to look at UBAC's fundraising. "As the major raiser of the voluntary dollar collected on a federated basis with heavy involvement of corporations and employee groups, UBAC has been a significant factor in the charitable enterprises of the community. Its impact on community life is far out of proportion to the amount it raises. In 1965 UBAC raised almost \$14 million. In that same year, total expenditures under both governmental and voluntary auspices amounted to approximately \$475 million. The UBAC dollar therefore covered about 3 percent. UBAC agencies spent close to \$56 million of which UBAC supplied \$12 million. So today therefore UBAC is fundamentally an association of donors who consider it the donors'

responsibility to determine where their dollars should be spent." The structure and organization is all based on that.

San Francisco Effort vis-a-vis Other Communities

Morris: Does that have anything to do with what I also came across repeatedly over the years, that San Francisco does not do as well raising money than other communities of its size?

Luttgens: Yes, and that's one of the things that I think drives these various reviews. I think it's what's driving what's happening right now. United Way is looking at the amount of money that they raise, and again it doesn't do as well as Cincinnati and some other places and trying to figure out how they can have a leaner structure, a more effective money-raising effort. They've made great strides the past few years, but it still isn't up to where they want and need.

Morris: In comparison with other communities. Has there been any intercity analysis?

Luttgens: Yes, the metropolitan areas are all lumped together. In other words, the big United Ways compare one another's results and fundraising efforts and so forth. But I think historically this community is different. It's not an excuse, but the Bay Area is over-organized, I believe, has more agencies, more passionate devotees of particular areas whether it be cultural or whatever.

Independent Sector Daring Goals Campaign, 1988

Luttgens: I'm going to digress for just a minute. Did I mention this Independent Sector effort that's occurring to increase both giving and volunteerism?

Morris: No.

Luttgens: Well, it's a national effort called Daring Goals for a Caring Society.

Morris: That's a wonderful phrase, yes.

Luttgens: It's a national effort by Independent Sector, of which United Ways are a strong part as you know, but also including cultural,

hospital, and so forth. There had been a group of us meeting for about a year and a half talking about how we could mount a local effort for this particular thing. Independent Sector doesn't tell local communities how to do it. They simply say, "This is a good idea, and if you think it's a good idea, start it in your own community in the way you think it would work best."

Denver has been successful, Detroit has been successful--

Morris: --and it's primarily a fundraising focus again?

Luttgens: An effort to increase giving and volunteering.

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There was a meeting last week at Irvine [Foundation] with a number of players--Peter Haas was there. It was an enlargement of the group that had been meeting before but going in a different direction, more foundation people. Meg Graham, who is hired by Independent Sector in Washington to promote this program nationally, was there. I have known Meg for quite a while, because she was president of the Association of Junior Leagues of America about five years ago--very enthusiastic person--who feels that this effort is valuable because it has a community looking at itself, finding out what it needs and what it can do--the usual assessment. You have to have an assessment before you can do this.

Joe Valentine welcomes this. It will require some fundraising to support a survey of this sort. Those surveys have been done in a number of communities. Detroit, for example, found out it was in a lot better shape than it thought it was because it's been through some trying times. There were a lot of agencies--

Morris: Was the article in yesterday morning's *Chronicle* about yuppie volunteers finding satisfaction--

Luttgens: Absolutely. I thought about the same thing. I thought about clipping that out because some of those groups mentioned I'm not familiar with.

Morris: Well, also there was a little box saying if you want to volunteer contact volunteer centers. Now is that the same as our old Volunteer Bureaus?

Luttgens: Yes, but I have to say that they are weak, and I'm not sure they're ready. I'm not sure anybody called them and told them

this was going to come out in the newspaper. You know, that's the sort of thing--

Morris: But the Volunteer Bureau has reorganized and is now known as Volunteer Center?

Luttgens: That's correct, yes. They should have a network of the volunteer centers because somebody who is working in San Francisco and living in Moraga may wish to volunteer in Moraga but may wish to go and talk to somebody on his lunch hour in San Francisco. So if there were a computer network it would be a lot more satisfactory because by the time he gets home or she gets home--

Morris: --it's too late.

Luttgens: --it's too late. There's nobody there at the center.

Anyway, back to--

Morris: How does that Independent Sector project, which has a great deal of pizazz, how does that relate to San Francisco with the United Way trying to increase the receptiveness--

Luttgens: They're both going the same way. United Way would welcome an enlargement of giving. After all they're the organization for agencies, so whether it comes through them or whether it goes directly to the agency, they don't care. It'd be nice to have it come through them so that they could show their goal but they stand ready to be of help.

The whole point is to enlarge something like this--I don't know whether it can be done, but they're talking about giving 5 percent of your salary and 5 volunteer hours a week. They have a button that is a clock face with five red minutes on it. The slogan is "Give Five."

Anyway, the point is that's something that's of nationwide interest.

Now, whether San Francisco will be able to do it or not, I don't know. The meeting at Irvine Foundation got bogged down in talking about volunteers because while this man has been organizing and is going statewide, there also is another fellow who is IS staff who is mounting a media campaign and he is going to have car cards around saying, "Give 5," "Volunteer." Both Adele Corvin and I said, "Are you going to alert the agencies? Are they going to be ready as you flood San Francisco with this?" He said, "Well, we're just trying to raise awareness."

I guess I have a problem with raising awareness and not having a plan. All the i's don't have to be dotted and the t's crossed but I think there has to be some sort of a plan. I think the volunteer centers have to be ready if their name is going to appear. Oh no, nobody's name is going to appear, it's just going to say, "Volunteer," "Give more." But you and I know that unless you have someplace to do that--

Morris: --it can be very frustrating for an individual who wants to do some good in their own neighborhood.

Luttgens: Yes, exactly.

Morris: If there's no job for him or her when she gets to the children's center or whatever.

Luttgens: And a lot of those jobs require training and supervision, which means the agencies have to have additional people to coordinate them.

I don't mean to sound discouraging; I just think it needs to be planned a bit more carefully.

That's probably enough to be said about that, that is in process and it's going to happen.

Morris: That's kind of a long way around to increasing the annual giving to United Way.

Luttgens: Keeping in mind that United Way is serving agencies and keeping in mind that they have expanded the kinds of agencies that they're giving to.

Innovations in Funding and Membership Policies, 1970-1972

Morris: You mentioned the question of turf within a group or between a group of agencies. Did some of this sort of longterm irritation between the agencies and United Crusade/United Way have to do with the same kind of turf question?

Luttgens: There is, oh, yes. There's no question about it. Knowing that United Way has only been able to supply a smaller and smaller portion of the agency budget, which means that the agency has to go outside and seek additional funding either from the public or from grants. All those studies that Lester Solomon did indicated the magnitude of the federal monies that they were

getting and when those had been cut back what they had to do about it. You have all those studies, have you not?

Morris: Yes, they should be in The Bancroft Library's United Way archive.

Luttgens: I served on the local committee, too, for his studies. It was a sounding board for what he was coming up with. It wasn't an action committee.

Let me go back to this New Directions study--the call for that study. You asked if some of the dissident groups were beginning to ask questions.

Morris: Yes.

Luttgens: Here on page four it says, "A new development has been added to the already difficult situation. That is the drama of the poor and the alienated rising up to claim as their right a portion of the unprecedented prosperity enjoyed by most of society. This is a new experience for the charitably minded who had been accustomed to finding and helping 'worthy and shame-faced poor abiding in their own homes.' Now these poor, no longer waiting to be found worthy, are out on the streets and demanding help.

"And so faced with this critical situation the government --especially at the federal and municipal levels--has intervened with massive doses." That's the background as to why they asked BASPC to undertake a New Directions study.

Morris: The New Directions study was authorized in 1969 and the report came out in 1971.

Luttgens: Yes.

Morris: Then now is the time to go sideways I guess to your chairmanship of the membership committee which is right on the front line of that.

Luttgens: Yes. But standing and waiting for the report, you see, that's why I've had trouble talking about all of these times because I had so many fingers in so many pies.

Morris: I can believe it.

Luttgens: But of course I went with it as I was in the middle of it but to sort it out now and tell you what came first--let me just say that the purpose of the report was to provide UBAC with objective judgments which would enable UBAC itself to determine

what services it should support in light of changing times and new human needs, changing nature and structure of agencies, massive intervention of government funds, which harks back to the reason why the Charles committee white paper was written. Again, we're seeing a reiteration of the same themes and the continuous emergence of new voluntary charitable organizations seeking community support.

That was the report. There always is such an elaborate structure to do one of these things. There are one or more technical advisory panels, there is a staff team and they collect a lot of data. All of this has to be done but as you look at it it's--you're trying to reach every constituency so that everybody is in on it, which has to be done, but it gets very ponderous.

Morris: Yes. What's interesting is that there was also the mechanism to have the membership committee go ahead and do something in this area while the full-dress, two-year review study was going on.

Luttgens: I think the timing on that is that--and I could be wrong, I have that whole file of Concentrated Services somewhere.

Morris: Yes, but before Concentrated Services was this \$400,000--and that was the process I wanted to ask about--\$400,000 was allocated to give to non-member agencies working with youth in crisis particularly in the area of drugs and--

Luttgens: That was Concentrated Services, as I recall.

Morris: The 1970 annual report doesn't call it "Concentrated Services" yet. It just says, "Leslie Luttgens and the membership committee," did these things and then further on in the annual report it says, and then we're going to turn that into a Concentrated Services Program.

Luttgens: But that was 1972.

Morris: In May 1970, there was a major budgeting change--this was the \$400,000--for allocations to the emergency services for alienated youth with concerns about drugs and/or underserved minorities.

Luttgens: It split in the middle.

Morris: Was this the Membership Committee going to the board and saying, "Look, we really need to do something"?

Luttgens: No, it was--

Morris: --an allocation decision.

Luttgens: I'm trying to come at it from a little bit different way because I have this in front of me and I'm fighting with it trying to refresh my memory. This is an evaluation committee of the New Directions Committee. It was appointed by UBAC after the New Directions Committee made its report. This is 1971 and it says--it goes through the recommendations--but down here it says, "Dollar Assignment. The New Directions Evaluation Committee recognized that the board of directors has already allocated \$550,448 for grant programs in 1971," which generally fit within the Concentrated Services definition, "and now recommends that \$700,000 be used to implement other New Directions Concentrated Services programs."

I guess I would have to look at the minutes specifically in the 1970 time frame. It's my recollection that because I was chairing the membership committee, because we had just received the New Directions report which I believe we had--this was also tempered by the third-world groups that were saying they were not being recognized. That was a separate committee--the La Raza Committee and some others that I mentioned to you--that was meeting with Bob Harris chairing it.

Morris: He was then president in 1970-71.

Luttgens: Yes, he was chairman of the board in 1971 so he would have been president the year before and Jerry Hull was president in 1971.

Morris: Again the annual report had another one of those marvelous events that mark your career. You became chairman when Howard Carver left the area?

Luttgens: I had totally forgotten about that. I remember Howard Carver. He was a great guy. He was from Emporium-Capwell, I think--very nice person.

Third-World Leaders and Staff

Morris: And the vice chair was listed as Edward Reyes and I wondered if he might have been Hispanic.

Luttgens: He was Hispanic--wonderful Hispanic member--from the East Bay--from Contra Costa, I believe--and went on to spend a number of years with United Crusade. I don't know what's happened to Ed Reyes.

Morris: What was his reaction and--if there might have been a black member of the committee going into this--what was their reaction to the hue and cry being raised by third-world groups?

Luttgens: As I recall they had great dignity about it, but they said there was truth in what was being said. It really does make me want to see if I could ferret out those minutes when we did report to the board. A lot of it doesn't show in the board minutes, but it might call to mind exactly how that--I frankly can not remember how that occurred except that I believe it occurred in response to those meetings with third-world groups and--

Morris: --the La Raza Committee?

Luttgens: That's right.

Morris: Was there another committee of--

Luttgens: I don't think there was a black committee, but there was definitely a third-world challenging committee which had on it Asians, blacks and Hispanics--all three of--

Morris: A Third World Challenges Committee of UBAC?

Luttgens: Well, I'm calling it that. It was called the Third-World Committee.

Morris: Right, and it was a UBAC committee?

Luttgens: Oh, no. It was from outside. It was saying to UBAC, "You are not giving enough money." You see, for the first time they had come together instead of being isolated voices. The La Raza committee was very strong, and there was black leadership, I believe, but I don't remember who was involved in it.

The other thing that United Crusade did at that time, as I recall, was to hire a black and a Hispanic and an Asian. They worked in a variety of areas, they were all young men about the same age. Steve Brooks was the black who went on to head the Bay Area Black United Fund. Gary Hernandez was the Hispanic. I think Gary went to Sacramento. He was the most sophisticated of the three. Jerry Loo was the Asian, who worked for a number of years for United Crusade and then, I think, left to go into private business for himself.

Morris: Were these young social-welfare graduate students or something like that?

Luttgens: They were beyond graduate student status.

Morris: They came out of some grassroots organizations?

Luttgens: They were brought on deliberately to add another voice; they were not out of the usual, traditional social-work background. I remember meeting all three. I couldn't tell you exactly when they came. Of the three, I thought at the time Steve Brooks would have the greatest problem adjusting to the United Way way of doing things. Steve turned out to be the most insightful and staffed the Foundations Emergency Fund when it was first established for United Way.

I became very fond of Steve and still see Steve from time to time. He came and asked me if I'd have lunch with him a couple of years ago to talk about what he was going to do when he was leaving the Bay Area Black United Fund and what his opportunities might be in some settings where I was involved. His wife runs a child-care agency in the East Bay; her name is Dolores Brooks.

Bay Area Black United Fund

Morris: I'd like to ask about the evolution of the Black United Fund. Was that a challenge situation again, or was it the wisdom of the time that this was an appropriate thing to do?

Luttgens: That's complicated because there was a national movement to establish Black United Funds. The head of the national Black United Fund movement joined with Pablo Eisenberg in his Committee for Responsive Philanthropy. Pablo's particular agency is the Center for Community Change. Pablo gathered those people together and sought funding for the Committee for Responsive Philanthropy.

My understanding of what happened here was that United Way felt it would be valuable if they supported for a period the Bay Area Black United Fund with both technical assistance and some funding, which they did; they worked that out, as you probably know. This was after I was no longer involved in United Way, so I'm not privy to what went on in those various deliberations.

Morris: It's only the last five or six years we're talking about, isn't it?

Luttgens: That's right. But they did come to the Rosenberg Foundation for funding and we did fund the Bay Area Black United Fund initially. After a couple of years we became a little

disenchanted because they had very grandiose plans. They had a high administrative budget because they felt that they needed to do things in a first class manner to establish a real ambience. And after two or three years that didn't seem to be changing even though the foundations had said, "Well, we'll help you get started but we do think you're going to have to do more in your actual moneyraising."

After a few years, we said at Rosenberg that, "We're no longer going to fund you unless you come to us with a project. In other words, we're not going to fund your core operating budget. If you come to us with a project that's appropriate, then we'll certainly look at it." That was what happened. I believe it's still going on. They do have an annual dinner which I get an invitation to.

Morris: Steve Brooks is no longer--

Luttgens: He is no longer there. They have a young woman who I've seen in meetings who is very strong, Toni Cook. I don't know how they're doing, frankly. But they went through an evolution; they have a good board, I thought, from the people I knew who were on it. But nationally we had some problems with the Committee for Responsive Philanthropy. So these two things were going ahead.

Committee for Responsive Philanthropy and the Rosenberg Foundation

Luttgens: We at Rosenberg had been funding the Committee for Responsive Philanthropy because we felt that foundations needed a critical voice; they seemed to be the only one around. I happen to like Pablo very much. I don't feel as warm toward Bob Bothwell, who's the program director who had a more abrasive manner. But we had funded them for a number of years, and, finally, when they were challenging United Crusade as much as they were--and I believe Peter Haas was still on our board, I was on the board at Rosenberg, Lew Butler had come back on the board--it seemed to us that what they were doing was just kicking United Crusade around, as opposed to really accomplishing what they had said they were going to do in their proposal. So we asked for a meeting with them. We met with as many of their people as they could get. It was very illuminating.

Morris: The local Rosenberg people and the--

Luttgens: Yes. It was Lew and Peter and I can't remember who all was there, but there were five or six of us, I guess. Kirke [Wilson], of course, set it up; Pablo was there and some of their local people, who were obviously not clued in at all. There had been no communication between the national and local people, who didn't know what was going on. So we decided that until they were clearer about what they were doing, we would no longer fund them.

In the last year or so we have funded them again because they have a project--I've forgotten what it is--but they seem to have more of a focus on things we thought they were supposed to be doing in the first place. So that's Black United Fund and the Committee for Responsive Philanthropy. But they're interrelated, you see.

Morris: I see, that's useful. Was the Committee for Responsive Philanthropy involved in the debates with United Way about allocations priorities?

Luttgens: No, and I'm not even sure that they were very much in view or certainly not locally. On that point, since they were formed at the time of the Filer Commission, you'd have to refresh my memory on when the Filer Commission was, but it's been a long time ago.

Morris: That was about 1969 and 1970.

Luttgens: They didn't have much of a local focus, is my reaction. They were too busy fighting the national battles.

More on New Directions and Concentrated Services

Morris: Going back to the inviting in or offering grants to agencies that were not yet members of United Crusade. Was that a decision of the board of United Crusade to tell the membership committee to take a look at this, or was it the people that were meeting with the Third-World committee saying, "We're going to have to do something about this?"

Luttgens: I think it was a combination of both. The major decision that had to be made was: Are you going to go outside the regular membership process to make grants, as opposed to bringing agencies in and then providing funding. That was the reason the membership committee was involved. But, as I recall, that came out of the committee that was meeting with the La Raza people

and then in discussion with, I guess, the executive committee. We were trying to find a solution to some of these problems that we've had and that seemed to be the only way to go.

Morris: Did that involve some soundings of some member agencies about how they would feel about including some non-members?

Luttgens: That was a very hot and difficult situation. I believe that that decision was made unilaterally by United Crusade and that agencies, of course, were very distressed because that money had to come from their budgets. In other words, they expected every year to get the same amount--maybe a little bit more--instead, we were taking something off the top to make some grants to agencies outside.

Morris: It was about 2 percent of the total budget that year. Was it just from agency relations or did some of it come from the management budget?

Luttgens: I think it all came out of agencies. But see, that's all mixed up with the New Directions study. It's why New Directions is such a dirty word with the agencies, because they see New Directions coming out with a report United Crusade--I frankly had forgotten that United Crusade had allocated a piece of money first, really, before they got into this Concentrated Services.

Morris: These two were going on at the same time, and you make it clear that it was sort of doing something right now while we have the longer term study going on. That's very difficult.

Luttgens: And beyond that the other decision--and I would have to read the results of the New Directions study to remember where that came from--that happened at that time was a decision to bring consumers on the board, which we talked about before--consumers being people who used services of the United Crusade agencies. You and I could be consumers if we used the Visiting Nurses Association or something of that sort. But the aim really was to bring lower-income people on the board. That was a result of the piece that I read to you earlier about people wishing to participate and not wait around until they were proved worthy or received a handout--it was a new philosophy. So that was the other interesting piece.

There were lots of parts of United Crusade that resisted that enormously. So there was activity going on moving toward change before the by-laws provided for it. The by-laws had not been changed and I can remember being a key part of that discussion about what we were going to do with this. We want to bring consumers on the board, but there are board members that

think it's wise, and there are other parts of United Crusade that don't think it's a good idea. Until we get the mechanics worked out, what are we going to do? And that was when, as I recall, I said, "Let's take longer, spend more time meeting with both trustees and with agencies to talk about this, and then make the structural changes. If we try to do it earlier, it's going to meet with enormous resistance."

That was why we started the Concentrated Services Committee because I remember saying in the board, "Why don't you establish a piece of money to be allocated in the way that you're designating to particular areas."

The thing I'd forgotten was that there were two parts to it.

Morris: --the alienated youth and the--

Luttgens: That's right--and the Concentrated Services. Of course that was when I got the call that night from--I thought Peter Haas was president then. Obviously he was not; it must have been Jerry Hull. I got the telephone call saying would I chair a committee that would distribute that fund; so that I was moving, you see, from membership into another category.

Morris: --really an allocations--

Luttgens: I was thinking about it this morning that that was really my first experience--

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--for the first time United Crusade and Leslie, in particular, were having the responsibility of establishing a granting procedure.

Morris: --because it was a grant procedure rather than the traditional kind of allocation.

Luttgens: --membership--that's right. Different than membership or budgeting.

Morris: Right. Can you recall a little bit about that? There was a note that there was something like 130 groups who were wanting some of that money.

Luttgens: We established committees--what else?

Morris: This was the Concentrated Services Committee?

Luttgens: Yes. I don't remember how we did them earlier. I believe that was done through membership, and I think we had a combination membership-granting process, the earlier piece I believe. I'd have to look again at that.

Morris: Was it considerably different the second year when it was more of a Concentrated Services Committee?

Luttgens: Yes, because Concentrated Services was looking at a particular area of interest--either day care or whatever--and looking at what was going on. In other words, looking at the whole subject area as opposed to simply responding to requests. It was quite different. There had to be a lot of knowledge.

The drug area was the hardest because nobody really knew what worked--was it drug education, was it drug therapy or direct services--what was the best way to use that money? So we had a subcommittee.

It was the first time that United Crusade had had the flexibility in any area to operate as it thought it should to accomplish a project. Before we had always--the process was laid out, it was being done the way that it had been done for years. Membership had certain guidelines--maybe you'd tinker with them from time to time. But for the first time we had a totally new ball game--

We were operating in very much a free-flow area. We needed to look at what was happening in the area of child care and drug abuse, decide where the scarce dollars could best be applied and how to operate. So it was a different kind of thing.

Morris: So you were actually working with these organizations looking for money, helping them shape their program?

Luttgens: We were in day care because in the day care area there was government money available and we could provide a 25 percent match and federal money would provide the 75 percent. Later, Cap [Caspar] Weinberger, who was then HEW [director, United States Department of Health, Education and Welfare] was talking about rewriting the regulations for child care. If he did that, a lot of our child-care agencies would not have been continued.

Foundations-UBAC Emergency Fund Created, 1973

Luttgens: I had letters on my desk. We had been funding thirty-one child-care agencies with this 25 percent match. There is no way we could have picked up the 75 percent match. I had on my desk letters from these agencies saying, "Please help us to continue," "please write to HEW," and so forth. It was out of that situation that the Foundation-UBAC Emergency Fund was born.

John May and Ed Nathan came to me. Their foundations had also funded a lot of these child-care agencies. I was by then president of United Crusade. This was after the Concentrated Services, after we'd brought in all of these agencies. They came to me and said, "How would it be if you pledged your child-care money," which as I recall was about \$500,000 that we were investing in child-care agencies, which again was the 25 percent match. "We'll put in," so much, "in the pot and let's try to keep these agencies afloat as long as we can until there's a decision about those regulations."

We asked the United Crusade board if we could start the Emergency Fund, and we did. Out of that we began to draw some other foundations--Cowell was very early in, as I recall, and, certainly because of Ed and John, both San Francisco and Zellerbach, Tom Layton sat in because he thought it was something Gerbode might want to put some money in. Kirke was dying to be a part of it, but he didn't think that Rosenberg would put any money into it, so he wanted to come to meetings, but he didn't feel he could unless they made a contribution, and I've forgotten who all else was involved. I'm sure I've got a box of files on that, too.

That grew, with Steve Brooks as our staff, and we met at 2015 Steiner Street in a little room. We invited the United Crusade budget panel chairman to sit in as we expanded from child care to some other kinds of agencies where it was relevant. In other words, where an agency came to the Emergency Fund asking for interim funding--either loan or grant--we'd ask the panel person to sit in.

Morris: Did anybody get in touch with Cap Weinberger--anybody who knew him from his years in San Francisco?

Luttgens: Yes, and I remember Martin Paley saying--maybe this was a couple of years later, after he became director of the San Francisco Foundation--Martin saying, "We can't continue to just put money into an emergency fund unless we try to change the reasons why the emergency fund is there." There were letters that went to

Cap Weinberger. He did back off and those agencies were left in the pool.

Morris: And it was Martin who went to Washington?

Luttgens: No, that was later. Because John was still head of the San Francisco Foundation in the early days, but it expanded, as I say, from child care to other areas; but always the idea was where contract funding had been interrupted. It was never a lack of fundraising success of the agency--we made that clear. That was very interesting. Of course, now it's a terribly important function and totally separate from United Way, although United Way still has somebody there.

Morris: But originally it was a joint--

Luttgens: That's right. It was a collaborative effort, again something new, between foundations and United Way, whereas before the kinds of relationships had been foundations, funding agencies and United Way picking up on the funding of the agency after a period of time. That was no longer possible because of lack of United Way financial support and also government was not picking up, so this was part of the evolution of what was going on at that point.

Public-Private Partnerships

Morris: Did that also signal an interest in direct conversation with governmental bodies about their funding regulations?

Luttgens: Some, but at that point the governmental bodies still could pretty much do what they wanted. You know, all this talk about partnerships has only really come about recently. Partnership, I need to explain, in my mind shows some compromise on both sides. Collaboration shows some coming together in a way that might be different than if one went ahead separately. These words are used very loosely to my mind.

But the word partnership used to be used by government when they would talk to private agencies but then they'd go right ahead and do what they were going to do in the first place because they had the money. Now, I think, it's quite different since the federal cutbacks. I do think government agencies are much more interested in talking to the private sector in a different atmosphere.

We've gotten off track again, I'm sorry. But all these things are so interrelated.

Morris: The way these threads are interrelated is exactly what the oral history is all about.



Proclamation honoring National Conference of Social Welfare meeting, 1968. From left: Mayoral aide Percy Pinkney, conference chair John May, Mrs. Luttgens, Mayor Joseph Alioto, United Bay Area Crusade past president and Planning Commissioner Mortimer Fleishhacker, Jr.

Photograph by Vano-Wells-Faglino

IX PRESIDENT, UNITED BAY AREA CRUSADE, 1972-1974

Executive Searches

Morris: Could we go back then to your progress into the presidency? It was still the United Bay Area Crusade when you were president of the organization?

Luttgens: Yes. I'm not even sure when it became United Way--that's interesting. Sometime in 1975-76.

Morris: It sounds as if the change was not a big organizational upheaval in San Francisco, that it was coming from the national organization.

Luttgens: It may have been around the time Bill Aramony became head of the national organization. I know he wanted to have the same name used by each local body.

How long has Joe Valentine been here? He's been here about eight or nine years.

Morris: He came with the new name?

Luttgens: He may have. I have files. Two of the files I have up there-- I've not found the Joe Valentine search committee file; I was on that one, too. But I did find two earlier files which are really very interesting--the search for, first of all, Jim Mergens, which came about when we went into the five-county structure, and the search for Bob Young. The search for Mergens occurred when Steve Nelson was, do I dare say, sent away? I guess so.

Morris: Because of the kind of local characteristics that make San Francisco a difficult fundraising town?

Luttgens: He was rather insensitive to the problems that were going on with the challenges of third-world people to the Crusade. This was in 1969 and '70.

[He wrote a letter to the directors of several other metropolitan United Funds addressed to "The Chosen" from "Baghdad by the Bay," in which he said, "The Black Caucus has now joined La Raza and the Brown Berets in advertising our campaign via 'Boycott UBAC'. . . The Chinese community has been heard from too. They say 'If Black is Beautiful and Brown is better, Yellow is yummy!'. . . Sorta makes us plain whites a little green with envy."*

He mailed it from the basement mailroom of United Crusade. Of course somebody in the mailroom picked it up and took it to the newspaper and the fat was in the fire.

An interesting aspect was that we were completing the most successful campaign in history, chaired by Peter Haas. There was an outpouring of concern about Mr. Nelson from the UBAC-supported agencies, spearheaded by the Family Service Agency of San Francisco.

*Memo, Steve L. Nelson to "The Chosen," October 21, 1969. See appendix for listing of related items deposited with memo in The Bancroft Library.

Dick Cooley was, who was then president of UBAC in Australia when this occurred and Bob Harris, as president-elect, had to deal with the immediate situation. On Dick's return, I called him and said, "We can't let this man stay if that's the way he's talking."]*

We had never had an executive committee up until then, but Dick appointed an executive committee and asked me to serve on it. We were asked to make a determination about what to do. We were very fair and objective, I believe, but we felt that we had to seek another executive.

Steve Nelson undertook a private business venture, I believe.

Morris: And Jim Mergens didn't work out either?

Luttgens: He was not the effective director we thought he would be, let me put it that way. The national United Fund [United Community Fund and Councils of America] found another post for him.

Then we had to seek another director. We found Bob Young, who was fine for that particular time. There was a lot of healing that had to go on with agencies, with donors and so on as a result of having redirected so much money into Concentrated Services.

I think Bob was there for about three years and then he went off. Times changed for him, too, and we needed a new kind of person, a dynamic fundraising executive; and that was Joe Valentine.

Morris: That's what the search committee was specifically looking for, that strength?

Luttgens: That's right, so different times had different needs.

Morris: Had any of the three of these executives come from other United Way experience?

*Bracketed materials revised by Mrs. Luttgens during her review of the transcript.

Luttgens: They all had. It was especially interesting to me because it was the first search committee I served on, I was so naive, I thought, "Well, we simply look for the best person wherever he is from--or she."

Morris: Was a she suggested?

Luttgens: I don't believe there were any shes in any of the interviewees, but there were a number of people from outside United Way. There was a fellow named Ken Phillips who was with United Way of California. There was a labor official who had no United Way experience. There was an Hispanic who I thought might be good. But when push comes to shove they always seem to select the United Way executive from someplace else. And, of course, United Way refers a number of people.

Morris: That was what I was wondering, is there a national United Way process for--

Luttgens: --for recommending, that's right.

Morris: Was a personnel search firm used at all?

Luttgens: No. I'd have to look through those files more carefully, but I don't believe so.

The other thing that it made me realize is that there were no minority United Way directors. Certainly no women. Now that's changed within the last, I'd say, six or seven years. As a matter of fact, one of the things that Joe Valentine has done is that he has spun off people who have been working here with him who are now executives elsewhere. The woman who was head of campaign is now head of a United Way in Florida; he brought a woman in to head campaign which had never been done before. One of the men who had worked with him is now head of the United Way in Hawaii. Another one is head of the Portland United Way.

They all were here at a volunteer leaders conference for United Way when Joe received the San Francisco Foundation Award this year. They stayed over for the event. It was arranged that they make the award presentation on Monday after their weekend meeting so they all could be here. I went and was fascinated because I didn't know what had happened to all these people. They'd just gone off somewhere and here they all were. And of course they'd stayed around and it was a very moving award ceremony.

Morris: You think that he had encouraged people to try their wings and go on to other United Ways?

Luttgens: Yes. And I think that's good. I think it shows that he's not afraid to keep his little group here working away but is offering to help his people to learn and move on to something else, and it's given him stature in the field, there's no question about it.

Laurence Bolling as President-Elect

Morris: We talked a little bit, but I think it was off tape, about Mr. Bolling as the expected president.

Luttgens: He has a very impressive record. "Two years ago Bolling became the first black president-elect of UBAC but withdrew his name for consideration and Mrs. William F. Luttgens took over as the first woman president."* He says he couldn't afford the position. "This is a family-run business," he says of his box manufacturing company. "The giants of business and industry have lots of backup men, I don't." Then he gives Leslie Luttgens praise for revitalization of UBAC and so forth.

"The Crusade did not address itself to social ills, it went through the motions of automated annual campaigns. The women in the movement turned it around just as women had been the strong force in the black movement. Men's excuse is that they are the breadwinners, they have the important job. The truth is that men have more time than women and men waste more time." Isn't that interesting?

Morris: That's pretty startling. Had he been fairly carefully groomed and searched for? He would have been the first man who was black to be president of this Bay Area Crusade.

Luttgens: That's correct. See, we really have been very progressive in the Bay Area. I mean, talk about putting consumers on boards, talk about having a black president, talk about having a woman president. This was all unprecedented. Now it's taken for granted. Adele Corvin came along and was president a few years after I was, but again she was breaking ground. There still weren't a lot of women. I can remember Mary Ripley from Los Angeles, who had been vice president of the Los Angeles United Way, saying, "We were always vice presidents. We were never

*"Laurence Bolling--The Man from UBAC," Caroline Drewes, Sunday Scene, San Francisco Sunday Examiner and Chronicle, n.d. [1974].

allowed to be president. We were in there doing the work." So I think we've been fairly progressive.

Morris: Was there some rumbling around about what on earth do we want a woman as president for?

Luttgens: They were awfully polite. I didn't ever hear that.

Morris: How much advance notice did you have?

Luttgens: I think I had about six months as I recall. I've forgotten what our year was at that time. I have the feeling it may have been --if it was June it seems to me I was asked--

Morris: February, there's a nice press release saying, "Today Mrs. William F. Luttgens became the first woman president--"

Luttgens: Okay, then it's about four months, I think.

Morris: So you heard about it during the fundraising campaign. Would Mr. Bolling have been in charge of the previous year's campaign?

Luttgens: No, he did not do that. He was head of the budget committee-- budget and allocations--and did a wonderful job, an excellent job. But I think the realization just came to him finally, as he really began to think about it, that it was going to be more than he could do on his own. I quite agree with him. Of course, it was more than I could do, too, but I didn't hesitate to call on help from United Crusade or from the business community or whatever.

Ceremonial Functions, Fundraising Fluctuations

Morris: How much time does something like being president of a major metropolitan United Crusade take?

Luttgens: I was there every day.

Morris: They have space for the president to have an office?

Luttgens: Yes. And Adele [Corvin] has continued to use the office there. I did not do it once I was through but she's continued because she's continued on various committees and so forth. It's been kind of her base although she's now moved on. She's somebody, too, that you would want to interview sometime.

Morris: I think that's very clear.

Luttgens: She now is leading the Bay Area American Red Cross, which is an organizing thing that a few years ago I would have enjoyed doing; but at this point it's just more than I'm interested in. They did ask me to be on that board, and I declined. But she will do a wonderful job.

Morris: Was she on your board?

Luttgens: Yes. She was head of the Group Work and Recreation Council when we abandoned that. She was on my first National Association for Health and Welfare Committee, along with Jane Roe--Jane brought Adele in somehow--I've forgotten how. I think through Volunteer Bureau. But let's see how she's listed. I think she was on the board at this point. She was head of a budget section during this period and then she became head of the whole budget and allocations area. Larry Bolling was head of general budget in 1971, I was head of membership.

I think she may have followed Larry or a couple of years afterwards. She came up through the chairs. She was also chairing the Volunteer Bureau at the same time and was a very good Volunteer Bureau chairman.

Morris: Chairman? She moved from the volunteer sector into the professional sector?

Luttgens: No. She was the volunteer chair.

Morris: Since being president, isn't she now staff to a foundation?

Luttgens: No, you're thinking of Joan [pronounced Jo Ann] Dills.

Morris: No, I thought I was thinking of Adele.

Luttgens: No, Adele is not staff. Her friend Joan Dills, who also was chairman of the Volunteer Bureau, worked for the San Francisco School Volunteers for a while and then became staff at the Stulsaft Foundation where Adele is on the board as one of the founding members.

Morris: Did you feel like you were making a stride for womankind when you took on the presidency?

Luttgens: Yes, I did. I mean I've never been an aggressive feminist, but I did think it was important that women were being recognized for all the work they do; because they do. As I say, they do a major portion of the work that goes on.

Morris: Still in the fundraising campaign? Traditionally, it used to be women doing the door-to-door domestic kind of thing, but it seems as if the fundraising campaign has shifted more to the workplace--is that accurate?

Luttgens: Oh yes, absolutely. As a matter of fact, I think last year there was a discussion at the United Way about mounting a residential campaign again. It is so people-intensive for the amount of money raised. And you get back to the "I gave at the workplace" answers and you can't really tell. It's just not terribly cost effective, so they've been trying to do that through direct mail.

Think of all the new people who are in this community, which is who they're trying to reach through the direct-mail sort of thing. I don't know how successful that's been. But rather than having somebody go door-to-door, they're trying to concentrate on small businesses, which also is people-intensive.

Morris: It looked as if when Peter Haas was campaign chair that there was a little blip up in the fundraising campaign. I wondered--it had been running at about \$16 million a year from 1969 through 1972, and then Peter Haas brought in a little bit more when he was campaign chairman--I wondered how much time as president you've had to put on the fundraising campaign.

Luttgens: I think you asked me that before, and I did not put a lot of time in. Stuart Menist, president of Firemen's Fund, was campaign chairman in 1973. I made appearances with him at various campaign settings. I remember going to Schlage Lock Company and a number of places like that as president, and I attended those campaign cabinet meetings which were made up of CEOs--early in the morning, the seven-thirty breakfast at the hotels and that sort of thing, to say a few words of encouragement, but I didn't have to spend a lot of time. It was mostly celebratory appearances of some sort. They did a balloon race and I'd go and watch the balloons take off and that sort of thing.

Morris: But the fundraising did perk up a little bit?

Luttgens: Yes, and I've forgotten what that was because it has--

Morris: --raised a million and a half more than the previous year.

Luttgens: Yes, and I can't recall why that was. Special effort, I'm sure.

Morris: Yes, okay. Having read repeatedly about the woes of the campaign, I looked at what was going on when you were president,

and it looked like you inspired everybody to greater accomplishment.

Luttgens: Well, I don't know about that. I think there may have been a push as a result of New Directions and some money taken away and taking in new agencies. It may be that the realization that that was there to stay meant that there was a bigger push. I frankly don't remember.

Morris: It's interesting. There was a little increase in 1971, the year before or the year that you made the first new kinds of allocations, and then it dropped down a half a million or so and then as I say, in 1974, it bumped up again.

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Luttgens: The drop down, I'm sure, was a result of the agencies' lack of strong participation in fundraising, because that was marked. They were furious immediately on those cuts that came out of their budgets, and there was a lot of fence mending that I had to do--the holding hands, the saying to them we can get it up as far as the goal is concerned.

We always had this battle every year. Were we going to have a needs goal or an achievable goal--that was the question that came up every year when the campaign goal was set. One year it would be one, and one year it would be another, depending on the make-up of the board. But it was one of those perennial questions, and I'm sure they're still asking it now. Do we shoot for a goal that really represents what's needed in this community, or do we simply shoot for something that we know we can get or maybe is just a tinge higher, so the volunteers aren't discouraged when they don't make it, that's the point.

Orientation: Adding Consumers to the Board

Morris: When you were asked to take over on short notice, did anybody do any extra orientations or briefings for you to bring you up to speed on what kinds of things you were going to be responsible for?

Luttgens: Yes. I think I spent time with Peter talking about that. I very seldom go into something without having a pretty good orientation about it, because I don't want to go in blind-sighted. But, remember, I'd been around for quite a while, too, so I had pretty much of a sense about how the board worked, and

I'd been pretty good on organization, so I knew what was needed. We had consumers for the first time on the board, as I said earlier, which required some special handling to make them feel very much a part of what was going on and not just that they were token board members.

Morris: Did you do any special meetings just with them?

Luttgens: Yes, we did. And, as a matter of fact, if we had a consumer representative who didn't come to one of those we sort of crossed them off after a while, after we gave them two or three opportunities to come. If they didn't show up, we started thinking about somebody else for the next term.

Morris: Is that a problem in general? Those committees and the board seem very large in terms of the span of--

Luttgens: Yes, and not only that, for the first time we were faced with the business of reimbursing for babysitting--the question was raised about reimbursement for time away from work, which United Way had never dealt with before. I think where we ended up was not reimbursing for time away from work, but reimbursing for any other travel expenses--bridge fares, babysitting, that sort of thing. That's my recollection of where we ended up. But even that was quite a departure. And the fact that we wanted to do it in a discreet way so that we weren't singling anybody out, and those that wished to take advantage of it could and those that did not wouldn't. That was new for United Way.

Morris: Did it mean some shifts in scheduling--maybe more meetings in the evening or weekends?

Luttgens: We did not have evening meetings, although that was discussed. I think I told you earlier about Ed Roberts and the business of needing a ramp to get in. He was a trustee; I don't believe he was on the board of directors.

There were a lot of things happening to United Way that made them realize that the world was changing around them, and I think they were responding fairly well, given that this was a large organization that had always operated traditionally.

* Roberts was a leader of the group that convinced University of California, Berkeley officials to make facilities available and accessible so that disabled persons could attend the University. A founder of the Center for Independent Living and later director of the California Department of Rehabilitation, Roberts brought his own portable ramp to UBAC headquarters so he could attend meetings.

Morris: Now that you've described it you get a sense of United Crusade, because it was an umbrella agency, maybe being somewhat removed from the ultimate consumers of member-agency services.

Donor Concerns: Social Activists

Luttgens: I would just be clouding the issue if I go up another direction, but the other thing I remember is trying to keep the old large donors happy at the same time that we were moving into a different kind of granting with different kinds of agencies.

I can remember Bob Harris and I going to call on Mrs. Robert Watt Miller who I've always liked very much. She's done so much for the community. She had cut back on her gift, and she was very distressed at what was happening with some of the traditional agencies. I think we were able to establish a feeling that we were still there and she knew us and everything was going to be all right. I believe she went back to her original gift patterns.

There were a lot of people like that who had to be contacted on a one-to-one basis. Bob was very good about that because he was out of the traditional world that had been donors and spent a lot of time working on it.

Morris: He was now a trustee if you were president?

Luttgens: I think this was before I was president. This is at the time of New Directions when he would have been chairman of the board and Jerry Hull would have been president and then Peter Haas--they all were still there in place even though they had been president two years before. They were still there either as chairman or as a trustee so they could be called upon for help.

Morris: This calling upon the donors--you were involved in that as part of this membership committee?

Luttgens: No, I was involved as somebody who was known to Mrs. Miller. Mrs. Miller had been very active in the women's cabinet, and she knew me through that and through some other things. As a matter of fact, I have the feeling, and I may be wrong, I believe that she was asked to chair the San Francisco unit of United Crusade, and I believe that she said she thought a man should chair it.

Morris: I see--a traditional view.

Luttgens: Yes, traditional view. And I think that was when her son, Richard Miller, was appointed.

Morris: It sounds like being president, except for the fact that it took a lot more time, was not that much different from, as you say, the general flow of other responsibilities you'd had with United Way.

Luttgens: That's true, except that we were in the process of change and that required some different kinds of things to be done, as I said earlier--meetings with people, some hand-holding, some assurances that--you know, same old business. When you're in a process of change, keep all the lines of communication open, as John Gardner says, be very clear about what it is you're going to do and don't have people think you're going to pull a fast one on them.

At the same time, we had committees meeting to determine whether we were going to have by-laws that were going to bring consumers on the board or that we were going to have new rules for bringing in agencies--all of those things were happening at the same time. By the time Tom Clausen got to be president, most of that change was through and we could go on with business, not as usual, but as redirected.

Morris: You mentioned going to call on individual donors. Were there also corporations whose leaders had similar concerns that needed to be--

Luttgens: I don't think so, it's not my recollection. There may have been, and I wasn't aware of it because I wasn't as plugged into the corporate community then as I am now. I would have known now, but I didn't know then. I believe that there was a strong enough constituency from the corporations, through the campaign cabinet and that sort of thing, that they knew what was happening, they knew why it was happening.

They were having their own problems. They had Cecil Williams leading groups to meet on their front steps and demand more help for homeless and so forth, and I've got an enormous--

Morris: --in 1973?

Luttgens: I think that was all going on. There were marches occurring--

Morris: It was the homeless I was plugging into.

Luttgens: Cecil has always served the homeless and those without food. I took a dim view originally of what he was doing. I happen to think he's a terrific member of our society, now that I've gotten to know him and I know what he's doing, and a very constructive one. At the time I saw him only as a rabblouser. I believe that it was at a United Way trustee meeting that he threatened to disrupt by speaking for the needs for more money for the needy and homeless.

We were still meeting at the Bank of America on Montgomery Street before the new building was built--the old Bank of America building, and we had trouble getting up into the building because of demonstrations.

This was after the third-world business, as I recall, but there was a lot of waking United Crusade up to the rest of the world.

Women's Changing Role; Mayor's Fiscal Advisory Committee

Morris: And your sense is, having observed this process for some time now, that sometimes the rabblousing technique is appropriate?

Luttgens: I think there has to be--excuse the expression--a cutting edge just as the National Organization of Women [NOW] whom I didn't approve of then--it wasn't my thinking that all volunteering has to take place for social change, which was the early precept of the National Organization of Women. But I think they played a role in the early days, raising consciousness. I can remember saying to Aileen Hernandez, "When you get to the point where I can accept what you're doing, then you'll know that you've attracted the mainstream." And my viewpoint changed as well.

Morris: And what was that point?

Luttgens: I think that point probably was the day when, as a member of the bond screening committee which was a subgroup of the Mayor's Fiscal Advisory Committee, we met with city officials, probably 1977 or '78. The background on this is that there were fifteen of us on the Mayor's Fiscal Advisory Committee. I was the only woman, and I said to Roger Boas when he asked me, "Roger, why are you asking me to do this?"

He said, "Because you would fit in well with the other members of the committee, who are all sort of corporate types, and we're going to be of assistance to [Mayor] George Moscone,

and, besides, you're a woman." I said, "Well, I'm not going to be the only one," and he said, "Oh no, we're going to have some others." Well, there weren't any others for a while, and then Ellen Newman came on and some others.

He called for a bond screening committee. George Moscone decided that he really needed a citizens' committee that would be part of his fiscal advisory committee that would look at the bonds that were going to be proposed. They had already been screened by the capital improvements committee so that the technical part had been approved. So this was to be a citizens' bond screening committee.

Roger asked for volunteers, and a lot of the members could not serve because they had a conflict of interest. They were from investment houses or groups that were going to be handling the bonds, so I said, "Roger, for what it's worth, if you want me, I'd be happy to serve. I have just common sense about whether something is needed or not. I have no expertise as to whether this should be done, other than my knowledge of what seems to be sensible."

So I ended up being one of the members of the bond screening committee along with Roger; I've forgotten who the third person was. I appeared on time for the meeting with each of the proponents of proposals for the next ballot. These were not the heads of the department but were the second in command, because the heads had already met with the capital improvements committee; so they sent their number two people to this meeting.

It was a very warm day and people had arrived in shirt sleeves. It was at City Hall. I was on time and Roger wasn't there yet, nor was the third member. I introduced myself when I came in, and as they came in, they introduced themselves and we were just sort of sitting around. Finally the man from the controller's office down at the end of the table smiled nicely at me and said, "Well," he said, "are you here to take the minutes today?" and I said, "Mr. So and So, I am a member of the bond screening committee, and we're going to be looking at your proposal in a few minutes to determine whether it's something that should be on the ballot." I said, "Besides, that's a very sexist statement."

Morris: Good for you.

Luttgens: That's the first time I'd ever done anything like that. I was so proud of myself, and I was so mad. He just sort of sank into his chair and nobody said a word until the rest of the people arrived.

Interestingly enough, the bonds that we were screening that day--one was the clean water bonds: the sewer bonds. We've had to live with that. But it did pass, of course, and we did turn down a couple of other things that we didn't feel were appropriate.

Morris: I think that was the project that had a woman as coordinator.

Luttgens: Oh, did it? I'm not sure. It's had a very checkered history, you know. They've had problems, there's no question of that. It's been much more expensive than they thought. Every time I pay my water bill, and I realize that I'm paying as much or more for the sewer project as I am for my water, I have a fit. But on the other hand, it was something that had to be done. There were a couple of other things that would have been nice to have done but we didn't feel that the city could afford them, so we did turn down. It was an interesting experience, but I think that was the thing that really turned--I recognized what he was saying, how women were viewed. I've told that story many times on myself because it was my kind of emergence as somebody who was going to speak up for women.

United Crusade Board Teamwork: Developing Leadership

Morris: But you didn't have similar experiences in your term as president of United Crusade?

Luttgens: No, I did not. I had a lot of cooperation, an enormous amount of support. The board was marvelous. We had a good board, we had a good working relationship, which is one of the things that's always been my experience when I've been president or chairman of something. I've worked hard to bring the board along so it's a cohesive team.

Morris: But in the United Crusade case you don't have much to do about inviting people to serve. They've already been selected by the nominating committee.

Luttgens: That's true, but that's true of a lot of other boards where I've served as well where you have to work with people that you might not have selected yourself. It's not like a committee where you can say I'd like so and so and so. The board generally represents certain constituencies and skills, and to get all that to work together--. I had the same experience when I chaired the Council on Foundations, which is a whole other subject down the line, where it was terribly important to have a

board that worked together, and we had that cohesiveness when we made a lot of changes in the council.

Morris: Were there any special kinds of things you introduced in terms of trying to get a board working together?

Luttgens: I think that business that I mentioned before, we spent almost the whole first board meeting just going around the table talking about ourselves one by one and allowing some interaction between board members and then getting down to the business. People could remember what someone did and what he or she cared about in his or her community

Morris: In general, with a board that large, is there a problem with maintaining a quorum and with attendance in general?

Luttgens: There wasn't at that particular time. I think we were very fortunate to have a board that was so interested in making this new United Way work that we had people attending. I think they were afraid they would miss something for one thing, and they wanted to participate. There were boards before that and after that--I still attended board meetings when Tom Clausen was running United Way, and there were times when a business person on the board just simply would not be able to be there, but generally it worked out pretty well. I really don't know what attendance is like now. I don't recognize a lot of the names that are on the board currently, but then why would I? They're people that have been coming up in the ranks and hopefully are strong participants and knowledgeable about United Way.

Morris: Were there any people you remember in particular whose work with you on the board was particularly helpful?

Luttgens: Ed Reyes for one. I don't think Larry Bolling stayed on the board. There was a wonderful young man named Eddie Washington who was so enthusiastic and was from Contra Costa County, who worked in an agency--he was a staff person in an agency--and I believe went back to school to get a further degree. But he brought such a sense of youthfulness and vigor to the board.

Then there were the veterans like Jan Bonner, who had been around for a long time but was just true blue and putting in a lot of time. Hazel Benninghoven, who was head of budget. We had a good mix of people.

Fred Moore, who emerged from another part of the country. He probably was president after Tom Clausen. Fred was with one of the big accounting firms. He had been shifted around the country, and he kept saying, "We've got to do something about

this. You're making me president, but I've only been in this community for four years. You need to get people who have been in this community longer than I have."

It was after Fred, as I recall, that the real drive to begin again to involve local corporate leadership, which I guess had dropped off a little bit. But to plan ahead, because when I was president we were planning ahead two and three years as to who was going to come along as president. Somewhere along the line I think Fred--he had more time that year than Jack Grey or somebody else who was coming along so he was put in that slot. But now they have things pretty well lined up.

Morris: And it's been able to be people who have got longer years in the Bay Area?

Luttgens: Yes.

Morris: Is there kind of a rotation of San Francisco alternating with Marin County alternating with other counties?

Luttgens: Not really, because they've sought somebody who's head of a corporation, and there aren't many headquarters of corporations in Marin, there are only three major ones in the East Bay. The Silicon Valley people (Santa Clara United Way) really haven't developed the leadership except for, of course, Hewlett-Packard. John Young, I think, is feeling very pressed to do his own thing, although Charlie Lynch certainly has been involved when he was at Saga and again when he was at DHL [Dalsey, Hillblom & Lynne] Worldwide Express, but of course now he's gone off to the East Coast--he's not DHL any longer.

It's part of what we discovered with the Business Leadership Task Force as well--the mergers and acquisitions, the early retirement of some executives, or even regular retirement. By the time they're able to give time to United Way, they're pretty close to retirement. They had Fred Mielke, who had retired from PG&E as president. That's a question: do they want an immediately retired president who might have more time?

They had John Place, who had been chairman of Crocker [Bank] before Crocker was taken over by Wells [Fargo]. John was president-elect of United Way, and he continued. He put in a lot more time than he would have been able to if he'd still been at Crocker.

Morris: That's an interesting thought, given people who are planning to retire at fifty-eight or sixty.

Luttgens: That's right. It's one of the things they are talking about right now, as I understand it, in this whole United Way retreat. Do we want somebody who's coming along, who's younger; perhaps who's not the CEO, but is the next one down and looks like he's going to be there?

The routes that were encouraged in my days at United Way were campaign chairman, then president or president-elect, then chairman, so that there was a whole continuity of about four years. I'm not sure they've still got that. They do try to move the campaign chairman into president, so there's a two year commitment. But they have somebody different as chairman of the overall group--the trustees.

Something we haven't even talked about too, going back, and I would have to look at the date, was the doing away with the county trustees. That was part of this whole activity that was going on with New Directions, Concentrated Services.

Morris: I thought that would have been part of the shift over to United Way. You recall it as a separate--?

Luttgens: I recall the trustees as still being there; it may have come out of the forum review.

It was very painful. We had a man named Charles Kelly, who was from San Mateo, who chaired the finance committee for years for United Way. Somehow I got myself on the finance committee before I was president, and it was very much closed-shop. Charlie ran it the way he wanted to run it. The people he selected, the people who came on--and I've forgotten how I got selected. I think he liked me. After he went off the United Way board, he still was a very strong trustee and would come to the trustee meetings, at the point where we decided that we should no longer have local trustees--and I've forgotten why, whether we were going to have a smaller group that would still have some local representation or what it was.

But anyway, I can remember going to see Charlie Kelly along with Bob Young, our executive then, and maybe somebody else, and Charlie was madder than a wet hen. We called on him at his house.

He was going to mount a campaign to keep the trustees. It was another one of those things we had to do something about.

Morris: But you weren't going to do away with trustees per se, it was just representation--

Luttgens: I think that was it. We were going to keep trustees. Again, I'd have to look and see, but it was quite a battle. I think the point was, you had this great local trustee body which had staff locally--I think that was the crux. And instead of having a local presence through staff we were going to have whoever was down there have a much smaller office and not be staffing trustees. Interestingly enough, the Strategic Oversight Committee later went back to that same pattern of having more local presence staffed so that there was a United Way office in each county.

We went through a period of trying to be lean and mean and cutting back financially. So I guess we were cutting back on administrative as well as on agency budgets.

Morris: I was wondering about this idea of the United Crusade role as convener of the community. If you were thinking in terms of cutting back on the presence in individual counties it sounds like there was a shift in that idea.

Luttgens: There was. And I think part of that dynamic was what was happening with BASPC as well, because BASPC had a county body, and they were convening around issues. So what were local county trustees at the United Way supposed to be meeting around? See, a lot of that was trying to sort out who should be doing what.

Morris: And United Crusade trustees didn't have any role in relation to the BASPC?

Luttgens: Not really. Although if it was somebody like me, you see, I was in both so there was some overlap.

Next Career Steps; End of Social Planning Council; Labor Unions

Morris: Were there other specifics that you recall being pleased with about your term as president or other areas of tension that needed to be resolved?

Luttgens: No, it was trying to mend some fences and move into a new structure and that sort of thing, which I thought worked well, then turning it over to Tom Clausen so that he could be the next president. I put a lot into it, I got a lot out of it. I'd already started doing some other things at the same time. That was all in that period when I was being recognized by Mills

College and giving the graduation speech. So there were a lot of other things happening at the same time.

Morris: Right, and by then you're on the Rosenberg board--

Luttgens: --that's right.

Morris: --and you already had started as a corporate director?

Luttgens: Yes, had started in at Pacific Telephone at that point. So there were a lot of other things happening. It wasn't as if finishing my presidency was the end of my career.

That's always one of those things I talk about with volunteers, that if your career ends in one area you generally can either continue with, expand, or start a new career in another area.

Morris: Do you think that some people have a problem of feeling like they're losing their power when they--

Luttgens: I'm sure that's true if you've only done one thing. If you had worked only in United Way--and United Way isn't even a very good example because it was so broad, there are a lot of facets to it--if you had only worked for Edgewood Children's Home, for example, for years and years, you finish being president and there wasn't anything else for you to do--do you go back and become just a volunteer again because you care about the organization, do you spread your wings and move to something else? I've always felt that whatever you did in a volunteer capacity, you need to go the broader step beyond the first focus of an agency or an interest, what's the broader community about, do something in the broader community that builds on what you had been doing. So in a way I was ready to do that.

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You had asked about the ending of the United Way Social Planning stuff, and I did look over my notes.

It was in 1972 that the rift between UBAC and the Bay Area Social Planning Council occurred. There was a memo of understanding that went from Peter Haas, who was then president of UBAC, to Social Planning.

Paul Akana had left, and the fellow that replaced him, Al Taylor, was there. I was on the board of both organizations. The UBAC Finance Committee recommended to cut the budget of BASPC. That was in the minutes of December 1972. And the BASPC

board was up in arms, "We cannot possibly operate with that budget."

And it was at that point that I resigned, because I felt it was a clear conflict of interest for me to sit on both, and I had to really make a decision about whether I was going to fight UBAC for the funds or whether I was going to stay with UBAC. I resigned from BASPC in January of 1973, and I had one of those nice letters, "Thank you so much," and so forth.

But there was considerable bitterness between the two organizations, and, of course, the BASPC was quite right. They really could not survive. Their budget had been dwindling and dwindling and dwindling. So I cannot tell you exactly when BASPC was no longer an entity because I was no longer on the board, and I don't have files on that--I should remember. But it was that action that triggered it and triggered my resignation.

Also, at that time, Peter Haas announced the resignation of Jim Mergens, who had been our executive director, and mentioned that Larry Bolling, I believe, was going to be an officer or a member of the United Way board nationally and that I was to be president-elect. That was in 1972.

So that was just to finish that up. Now you mentioned relations with labor unions. I think we discussed the problems that I had, the problems that Tom Clausen had. I'm not quite clear exactly the date that Bill Morison was later president of UBAC, but it was at that point that he took a firm stand with the labor unions and would not budge. That was what really stopped any collaborative working together with labor for quite a long time. It's been years. Now, I think Joe Valentine has been able to bring them back into the fold, and labor is an active part of the United Way. It's changed over the years, I'm sure.

Morris: What was Morison's--

Luttgens: I've forgotten what the issue was, but I think it was more of the same. It was labor demanding the unionization of some agencies. I think it may have been Lincoln [Children's] Center over in the East Bay. I think Bill Morison decided that enough was enough, and it was just going to go on and on, so he and the board together just took a strong stand and said, "Can I have this sort of unionization that's plaguing our agencies all the time?" That's my recollection of it.

X SAN FRANCISCANS SEEKING CONSENSUS: GOALS FOR 2000

[Interview 5: August 3, 1988]##

Morris: I read in the *Chronicle* that you are involved in this group, San Franciscans Seeking Consensus.* That sounds like an effort to create the kind of community forum the old social planning councils used to provide.

Luttgens: I was surprised that the *Chronicle* sent a reporter to the meeting. We had been meeting informally for some time, and we felt maybe we should go beyond small group. We thought it was worthwhile, but we didn't know what anybody else thought about it.

Mervin Field got interested in us because he said, "Any group that'll meet at seven-thirty in the morning and on Saturday mornings," which was when we were meeting, "must be pretty dedicated." So Merv came to a couple of meetings and he said, "How would you like me to put on some focus groups for you for a larger group?" We said, "That sounds great."

We very carefully drew up a list of about 400 decision-makers in the San Francisco area and sent out invitations for them to come together in smallish groups--not more than twenty-five--to talk about further progress.

We had very good representation from everybody except the business community. The problem was they scheduled the meetings at seven o'clock at night--from seven until nine--and most business people don't live in San Francisco any more, and they just plain didn't come.

*"Warring Factions Focus on San Francisco's Goals in 2000," Vlae Kershner, San Francisco *Chronicle*, August 1, 1988, A7.

Then we came back together again at Fort Mason. [Mayor] Dianne [Feinstein] had not been invited to be part of this, and she was furious when the report came out in the newspaper because she had not been aware of us. And she called Martin [Paley] and just gave him the dickens.

We deliberately had not involved her because we didn't want her to take it over as her thing. We wanted it to be a citizen effort. Father Lo Schiavo, I remember, was a good participant. We had the religious community, we had a lot of neighborhood people.

And at this report meeting at Fort Mason we broke up into small groups in that big conference room that they have there; so we were all in one room with a box supper. The point was, where did we go after that?

There was very much a feeling that the effort should be pursued. It was about that time that Martin was getting into the Buck Trust events, and there was no way that he could devote time to SFSC.

Art Kern had been one of the leaders. Art left KPIX to go into business for himself.

The group dwindled for a bit. Nothing happened. And then, after Martin got settled on his own, we started meeting again. Almost everybody who had been in the first group has been meeting again.

A year ago there was a conference out at UCSF, in Laurel Heights. About two hundred people were invited from the original group, and about half of them came. It was a lunch arrangement, and they met all day long. They scheduled it on a Saturday when, unfortunately, I could not attend.

Out of that came a very strong feeling that education was the most important thing that should be pursued. So we came back together again to plan, and we have just completed three meetings to which we invited those same people that had gone to Laurel Heights. Out of those, we had about seventy in attendance at each one of the sessions.

You were supposed to come to all three, not just one. The first was on education, the second was on housing, the third was on jobs and the economy, because we felt those were all very related. The whole idea of the regional approach has come up over and over and over again because San Francisco obviously cannot operate in a vacuum. However, we still are limited

pretty much to San Francisco people, we simply haven't felt secure enough to move outside that.

Morris: Did Martin take a strong role once he got on--?

Luttgens: --the lead role, yes. He is the convener. So those of us who have agreed to be the steering committee have been meeting again to plan those sessions. Aileen Hernandez has played a very strong role and has been superb.

The first session on education--Superintendent Cortines advised us but was not able to be present at the planning meetings. He did come to the conference. He did make an appearance at the other two conferences but couldn't stay.

The first conference was not very successful. We asked your dean of education at UC Berkeley--

Morris: Bernard Gifford.

Luttgens: I can get you the reports of those conferences. I have them right here, if you're interested.

Morris: Did he not see a role for the university?

Luttgens: He provided us with a paper that he had written on education. His talk was a disaster. It was twenty-five minutes of anecdotes. He did not speak to his paper. He had not done his homework. The panel was also poor. The only person who was good was Jere Jacobs (Pacific Telesis) speaking from the business side about what business thought was important for education. They had a parent who read some very long piece from a very early education report which didn't seem relevant. Then the other--I've forgotten who the other people were--but then we broke up into small groups.

We also met at one of the public schools, and it was so dismal. I mean, if you wanted to know the problems of the schools, it was physically depressing. Dinner was bad; it was a half a chicken with plastic utensils and no way to cut the chicken. I objected vociferously.

We also decided at that point that we had to raise money to put these conferences on--mostly from foundations. I'd been on the resource committee, and it was tough to do. We got some money from Chevron and Gerbode and San Francisco Foundation. Also the Walter and Elise Haas Fund, because Bruce Sievers has been involved from the beginning--from the start of these sessions that we've had.

The second session was better. It was on housing and it was at Fort Mason. The locality lent itself very well. Again we were in the big room at Fort Mason so we could break up into small groups and come back together again.

And the last one was on jobs and economy. I went to all three. A lot of people did not come, even though they had been told very strongly that they had to come to all three. As it turned out some people came to one or to two; after the first one, we lost a few because, frankly, it wasn't terribly worthwhile. I'm hoping we're going to revisit education.

But out of the three the last one was very good. Ray Brady from ABAG [Association of Bay Area Governments] had given the talk at the October conference a year ago and has really galvanized people. He was very clear, very action-oriented. He again spoke at the last one on jobs and economy and again people said, "What are we going to do next? Let's do something."

So we are planning another, October conference and this will be the fourth. It will follow education, housing, jobs, and the economy and hopefully will bring together the elements of all of those conferences. I don't think there's going to be a bit of a problem about deciding on issues and goals. The problem is going to be how you get there, which is where the differences are going to occur.

I don't know whether it's going to be successful or not but the reporter [Vlae Kershner]--they had spoken to him about it and he was very interested. The *Chronicle* is interested in having him pursue it. And I'm assuming he'll be at the October conference.

He had talked to Martin, and he had talked to the person that we had hired as a staff consultant, Chuck Forester, and said that he understood I'd had something to do with education and wanted to talk to me for a minute. And, as I said to him, I didn't think that the October conference was going to be the end. I thought it was going to be the beginning. I hoped that there would be some action that would come out of it and that those who attended would be interested enough to volunteer for task forces that could pursue particular aspects of education--but I can't tell you what those aspects are now until they come together.

Morris: And it's still an ad hoc group?

Luttgens: --yes, but invitational. The only reason for making it invitational is that we very carefully try to balance the group.

And James Ho, for example, who spoke at the housing session as Mayor [Art] Agnos' deputy for housing, came late, left early, and had his deputy speak in his place on the panel. She looked around the room and, being Asian as well as Mr. Ho, said, "There aren't enough Asians here." So the only thing we're doing at the October conference is we're trying to augment those who came before with additional Hispanics and Asians. There seemed to be a lot of blacks that were interested and there have been a number of neighborhood people--those neighborhood activist types--and again some business people, not a lot. But the business people that have come have been very good.

Walter Johnson got up at one point at the housing meeting and gave us his blessing. In other words, "This is a very important thing and so forth."

His deputy, Jeff Greendorfer, has been a member of the steering group--an active member.

A lot of staff help has come from [Pacific] Telesis in the form of Linda Mjellem who is also staff of the mayor's fiscal advisory committee and has been working on this, and she is superb. She and her assistant, Annalisa Brunato, have been present at each session, have prepared materials, have provided meeting space for planning in between. We're having another planning meeting on Thursday morning at seven-thirty to try to refine the steps.

Donald Turner from Bridge, on housing--I guess that meeting was held at UCSF at Laurel Heights rather than Fort Mason, the last one was at Fort Mason. Don Turner was excellent--very clear, very definite.

The housing area is probably the hardest to attack because there are some real underlying problems, there's no question about it. People who live in one part of town don't want to open up their area to other people. It's that kind of thing.

I think on education everybody will agree on goals. The problem will be how you arrive at them.

I think on jobs and the economy there will be a much more regional aspect than the other two, although housing has some, too.

I think it's a worthwhile effort. I don't know whether it's really going to accomplish anything--I hope it will. It's certainly timely as far as Mayor Agnos is concerned. It's exactly the kind of thing he says he wants. We've tried to get

people from the mayor's office to attend since he has been in office--nobody has come except for James Ho.

Morris: The obvious thought, of course, is that if a really nifty plan gets put together it would be very easy to have various political persons decide they would--

Luttgens: --use it as their agenda?

Morris: Right.

Luttgens: It's one of the reasons that we will be asking some of the supervisors, I believe, to come--I'm not sure. We've gone back and forth on it--should we invite all the supervisors, should we invite none of them? The October conference unfortunately will be just before the November election. So it could be used as a political vehicle and that's not what we want.

And I'm rather surprised at the mayor because we're billing this as the vision for the year 2000, which is exactly what he's been talking about. I've talked to Claude Everhart, deputy mayor, as have others, and Claude has said, "Oh, yes, I'll be there," but it's just low on their priority list. It may be that they're waiting till all the spadework is done and then, as you say, come in and get involved.

Morris: Right. It would seem to be a delicate area because a lot of the agenda you would think would end up having government implications.

Luttgens: No question about it, and that's why the public people have to be there. Now, as I say, Superintendent Cortines has been very interested and has come because he sees the value of working together on it.

Morris: That's fascinating. I've put the tape recorder on because we might not get back to it another time and--

Luttgens: --absolutely--

Morris: --it seems like a very--

Luttgens: --significant--

Morris: --appropriate kind of a thing to include in our general discussions.

XI ROSENBERG FOUNDATION TRUSTEE, 1969-

Joining the Board

Morris: At what point did somebody talk with you then about possibly becoming a member of the Rosenberg Foundation board?

Luttgens: That was 1969, and Frank Sloss was the person that spoke to me because he was chairing the nominating committee. Of course, at that point, I knew Frank through the Social Planning Council. I knew Caroline, I didn't know Fred Whitman. I knew Fred Merrill through my Presbyterian Hospital days because he had chaired that board--knew him very well. I knew Malcolm Watts because he was a friend--a friend from the medical community. Eleanor Sloss I had not known before, nor Ben Duniway.

And I had known Lewis Butler for a long time. Lew in the meantime had gone off. I was replacing Lew, as a matter of fact, on the board. Oh, and Bill [William Matson] Roth was on the board. I knew Bill through--well, it says Bill was 1970 to 1977 so I guess I went on the year before Bill--I hadn't realized that.

Peter Haas came on after I did, we were very close in starting our terms. Lew came back from Washington, and I said, "Aren't we going to ask Lew to come back on the board?" There then was an opening. And the board said, "Wonderful idea," so Lew was back on the board.

Morris: So, in effect, he took a leave of absence.

Luttgens: Yes, in a way. Although he came into another slot. I guess what had happened at that point--Fred Whitman resigned in 1973, and so that was when we brought on Herman [Gallegos], as I recall. Fred, I think, became ill and felt it was really more than he could do.

You have a question in here about why did people resign. It seemed to me it was for illness except for Mal Watts, who, I think, felt we weren't doing a lot in medical granting any more and just wasn't sure that he needed to be there. But by and large people just went on and on. You know how long Caroline was on the board, Frank Sloss, Ben Duniway.

Morris: There was no discussion of a set term or anything like that?

Luttgens: No, there really wasn't. And it was at the time when the San Francisco Foundation was establishing board terms, and we didn't. I think we just felt it would be better to take a look at that situation when our three-year term was up to see if the individual wished to continue. That has gone on, as a matter of fact, since then.

Morris: But there is a sort of a three year--

Luttgens: Oh, yes, you were elected for a three-year term, and the board is staggered so that every year three members of the board come up for reelection.

Herman went off, as you know, because he was asked to serve on the Rockefeller Foundation board and he felt that it was not fair to take two slots for one person. He was very much in favor of--

Morris: When you say you took so and so's slot, was it--?

Luttgens: Well, no. They really weren't designated but I guess I'm referring to that because of the way--a vacancy occurred is what I should say rather than slot--there were no slots.

Diversifying Directors

Luttgens: But what did happen since I went on the board in 1969, there was very much a feeling that the board should diversify. Up until then it had been pretty much white male and female. I was on the nominating committee when we were asked to seek out some people of more diverse backgrounds. And it's in that fashion that we arrived at Herman.

I was asked when I chaired the nominating committee to see if we could find a young person. We were doing work with young people. And we tried very hard to find someone who was willing to participate, with two criteria: one, a young person, and the

other, somebody from the Valley up around Stockton or Sacramento or that area.

We identified a young woman who we thought would have been superb. She was a Stanford graduate and had been very involved in things, but she had two small children, she was building a house. It sounds ridiculous to say there was only one person identified, but she was ideal. I think we came to the conclusion with that effort that it was going to be very hard to attract somebody in that age group who was very involved with family and particularly from an area of that distance.

We also were looking for a black member, because we did not have one, and identified a young man who was an attorney, but he was starting his career, and he said, "I'm not going to be here very long. I have an opportunity to go East." So again it was that mobility factor that we found was a problem.

Morris: Right.

Luttgens: We did end up, as you know, at that point with Norvel Smith. And Norvel has continued on the board.

When Herman left, we did ask him to identify a leader in the Hispanic community. It's the only time I remember that specific a search. And he identified Cruz Reynoso, who at that time was not a supreme court justice but was an attorney.

Morris: Was Mr. Reynoso then with the Agricultural Labor Relations Board?

Luttgens: No, I think he had left that, but again that was a real plus because he had that firsthand understanding of what goes on in rural communities. He was a judge at that time--and, of course, we had Ben Duniway as well. So that was fine.

And we did ask Herma Hill Kay. I remember going over to talk to Herma when I chaired the nominating committee to ask her if she would serve, and she came on in 1978. We must have talked to her about 1975. Jing Lyman was on the board, and Jing had been identified by Caroline Charles because Caroline, of course, was serving on the Stanford board of trustees; she knew Jing and we brought her on at Caroline's suggestion. Dick [Guggenhime] was then president.

Jing had never had an experience like that before and she was thrilled and had a real learning experience with Rosenberg, which she acknowledges freely.

Morris: So she kind of took Caroline's seat when Caroline was--?

Luttgens: No, because Caroline didn't retire until 1974 so she and Jing were on the board at the same time. I'm not sure whose vacancy she filled. She must have filled Fred Whitman's. At any rate, when we asked Herma, she said she had an activity that she'd agreed to do for two years and really could not undertake the Rosenberg Foundation position. But she said sometime she would be interested, which we remembered when a vacancy occurred in 1978 and asked her then if she would serve. She was delighted and has been a wonderful member, of course, and is president now.

Grants Budgets

Morris: When Frank Sloss talked to you first, what kinds of questions or ideas did he put forth and what kind of questions would you have asked him, do you recall?

Luttgens: To be quite frank I knew what foundations did but I did not know how they operated, so my questions were largely operational. He sent Ruth Chance to talk to me and Ruth came with a big folder of materials--by-laws, granting, annual reports and so forth. I remember we sat downstairs in the living room. The one thing that I was surprised about was that we seemed to be invading capital; we didn't seem to be only spending income and I was concerned about that and she said, "Well, the board has always felt that if something were important to do, it needed to be done and we could carry that forward and then make it up another year," which, of course, is what we were doing.

So my recollection is that Rosenberg has always spent up to the limit of funds available. It was not until Herman came on the board that he raised the question of having a grants budget. Since that time we have had a grants budget, and the finance committee determines each year how large that budget should be, what we can afford, for example. Then we always stretch it just as far as we can. So there's never been any question of holding back, it seems to me, when a project needs to be done. Although you do look at the amount left for the year when you get to the end of the year and you try not to short-change those projects that are brought to the board at the end of the year.

Morris: Once a grant budget was established was it kind of divided into quarters or so much per--

Luttgens: Not really, although the idea was that--well, yes, and certainly since Kirke has been there. He has tried to pace the granting throughout the year, for two reasons. Not only because of the budget but also because of the staff work. If you bring all the grants to one meeting or two meetings, it requires an enormous amount of staff work and also it would mean spending everything in the beginning of the year when there might be a terribly good project that would come along later.

Early Board Meetings: Leadership Matters

Luttgens: You asked about--well, from the first board meetings I was very impressed. They were very brisk. That board had worked together for such a long time that they knew what each other thought and what the foundation's policies were. We met at noon.

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During lunch there was always a very pleasant exchange of what was going on in the various members' other activities, which I found absolutely fascinating.

Morris: In their other activities?

Luttgens: That's right, Stanford board of trustees, various community affiliations. And, of course, I could contribute to that because of my own experience and what I was doing, so I never felt junior in any way, although I was certainly new to the field. The kinds of very candid discussions that occurred about very important things that were going on provided a wonderful collegial atmosphere. Then we would immediately get down to business after lunch was pretty well served.

Ben Duniway was the first chair I worked with. He was a very good chair, certainly allowing for discussion; but there was very much a climate of not a lot of dilly-dallying about projects. People knew pretty much--they had all done their homework--how they felt about something, and Ruth, of course, was superb, as far as her handling and her relations with the board. Everybody respected her, admired her, loved her. There is a difference, there's no question about it, in styles, as far as chairmen are concerned, but Ben's meetings were very well done. Caroline, I believe, followed Ben. [reading from fiftieth anniversary report] Caroline Charles, '71. Ben was '65. Who was in between? Ellie Sloss. Ellie was '61 to '64. She was

not president when I was a member.

Morris: Was she still a trustee when you came aboard?

Luttgens: Yes. She went off in 1970. I haven't really plotted out who succeeded who on the board. What I'm really trying to find out is who followed Ben. He was until '65. Oh, Fred Whitman was '65 to '68. Then Ben Duniway came back again as president, '68 to '71, and in those days the president's term was three years. It wasn't until Lew Butler became president that he said, "You know, it's going to be the year 2000 before some of the newer members end up being president." By that time, we were going chronologically. In other words, when you came on the board determined when you became president. There was no question of selection.

You also asked if there was a problem about electing a woman president, and Caroline's time to be president did come up. Ellie Sloss had been president '61 to '64, but Caroline, after Ben had come back and been president for the second time, was concerned that they were trying to pass over her. She simply said to whoever was chairman of the nominating committee, "It is now my time to be president, and I'm going to be president." And she was. Ever since then, it's been very clear that it simply follows chronologically, so there's not a question of selecting somebody, which I think is different from many foundations where there is a real attempt to select someone as "leader."

Morris: Or possibly even in some cases, a rivalry, when somebody decides they really want it and they don't want somebody else to be president. Does that occur in some foundations?

Luttgens: I think so. But, of course, Caroline was a very strong member always, and she was a terrific president. It was during her term that Ruth retired, and a search committee was formed. You asked if there were changes in the board during that period to '73, and that's quite right. It was a very stable board, and there weren't a lot of new voices, new people coming in at that period. Ruth retired because of age.

Future Planning: Executive Search, 1973-1974

Luttgens: It's my recollection that she said, "You know, I should retire." The board talked her into staying during that period while we took a look at what we should be doing. You said, "How did the

idea of doing extensive assessment of social change...?" and so forth--that came about because the board realized that they had to deal with a new person, and they had to decide whether they were going to make the work manageable. The applications were coming fast and furiously. The question was, were we going to narrow the focus, so that the applications could be handled by one person and an assistant and somebody to do the accounting work, or were we going to expand staff? That was the beginning of taking that look.

Morris: That was an all-board committee?

Luttgens: Well, it started out to be a future planning look, as I recall, and the whole board got so interested that we all got involved. The search committee was separate, and I was not a member of that, but I did come across a file the other day of some of the people we interviewed, and it's my recollection that Ruth had known Kirke through some of his work for the state and in the valley and thought he would be a good candidate. I don't know that she identified him to begin with. I think he may have applied, but she knew of his work and was very supportive of him in that role. He was, of course, selected.

Morris: Was there a wide-scale sending out of announcements?

Luttgens: Yes, and we had a very good applicant from the East Coast who was up almost until the end; she is in the foundation field, and I've run into her from time to time. As a matter of fact, I can't remember if it was Frank Sloss, or who it was, who suggested that I might be a candidate. I just didn't feel adequate to the job at all. I hadn't done my nuts and bolts of that sort of thing but was asked quite seriously by the search committee if I wished to be a candidate.

Morris: If you had been there longer at that point, might you have?

Luttgens: I don't really think so. My life was at a point where I didn't think I could undertake a full-time job. And, of course, anybody following Ruth--

Morris: It would be at least time-and-a-half labor.

Luttgens: That's right. But Ruth was very much a part of our looking at what we might wish to do. In many organizations that I know, such a group that is planning for the future will say, "Well, we ought to wait until a new person comes on board," so he or she could be a part of it. It was very much a feeling of the trustees that they wanted to articulate that vision of whatever

it would be, and that whoever came on would come on with that understanding.

Morris: That this was where the board had arrived in its thinking.

Luttgens: So then we did end up with Kirke. I will always remember a little sidelight. Caroline Charles, who was president at that time, decided that there would be a reception for Ruth at her retirement. And Ruth said, "Absolutely not." There was quite a pitched battle about it, and Caroline, who could be very strong, simply put her foot down and said that she and Allan [Charles] were going to have a reception at the Town and Country Club, and all the people who had been close to Ruth would be invited. So Ruth finally realized that Caroline was serious about it. It was the most marvelous party in the world, because all of the people that she had had anything to do with--who had such respect and love for her--came. Some of the names of people, who I had heard of but had never met, turned up, like Florence Wyckoff, Gib Robinson. All these people who were names on a piece of paper, as far as granting was concerned, and part of the history of the foundation, were there. It was an absolutely marvelous party. I think Ruth enjoyed it, and I think it was absolutely the right thing that Caroline should have done.

1969 Tax Reform Act: Supporting Improvements in Philanthropy

Morris: The year that you came aboard was also the year that the 1969 Tax Reform Act was passed.

Luttgens: Yes, and you asked about that. Ruth kept us very well informed on that, and as you recall, Bill Roth had served on the Filer Commission and was a fount of knowledge on the Filer Commission. Everybody on the board was very interested. The attorneys were knowledgeable about what the '69 Tax Act might mean, and Ruth was very up on it. So that was part of the agenda that we would discuss, before the meeting started, largely. I believe that it was the handwriting on the wall about how foundations were going to be treated and played a significant role in the kinds of granting that the foundation did for philanthropic support for a variety of endeavors.

Morris: In terms of what you were speaking of a few minutes ago, about setting up a grants budget?

Luttgens: I'm not sure whether that particular item was related, but the kinds of support that the foundation provided for, later on, the

Black United Fund, for these subgroups that were working to improve the field of philanthropy. Certainly the Center for Responsive Philanthropy, which we granted to, which was the offshoot of the Filer Commission that Pablo Eisenberg was involved in. And certainly, later on, the establishment of the Foundation Center Library in San Francisco--all of those peripheral activities which we look at once a year as activities that are related to the world of philanthropy. Sometimes the trustees would get anxious: "We're putting more money in there than maybe we should, if it's not going to direct grants." But at the same time, it's been felt that it was important to strengthen support for the Council on Foundations.

Morris: In the Bay Area as well as nationally?

Luttgens: Yes. You mentioned in my annual report I did say something about it.* It was at that time that we were looking closely at the amount of money that we were putting into that field--women and foundations, corporate philanthropy, and so forth. There is a limit, certainly, to the number of peripheral organizations you can support. I think that all really goes back, perhaps because that's when I came on the board, to 1969. I'm not saying those things weren't supported earlier. They were. But there were not as many. They were proliferating from 1969 on.

Foundation Staff "Brown-Bag Group;" Corporate Grantmaking

Morris: There weren't that many other foundations in the Bay Area that had staffs in the early 1970s.

Luttgens: That's correct. When I first attended the so-called "brown bag group" for foundation staff, I think I was the only trustee who attended. Ruth invited me to come, and the meeting was held at the old Irvine Foundation offices, which I believe were on Post Street. Claire Denahy was there, John May, Ruth, Ed Nathan, a few other people who I really didn't know that well at that point. I hadn't met them, so she really guided me into knowing some of the foundation people and that group. Larry Kramer was one of the originals.

I didn't attend those meetings regularly, but I did go to that one meeting. I was really very struck with the collegiality of the group and the fact that they weren't passing

*President's Message, Rosenberg Foundation Annual Report--1979.

an application around the table, saying, "Are you going to fund this? We think we may." They were talking generally about the field. And the developments in the field, as opposed to looking at specific grants which, in my understanding, is what the corporate grantmakers did when they first started out. They would say, "We have a request from this agency. Are you going to fund it? I haven't decided whether I'm going to or not." I have problems with that approach.

It is not collaborative funding. To my mind, it is setting up a curtain that grantees cannot get through. My definition of collaborative funding is when some foundations come together around an issue, and everybody takes some part of it and works together for the goal, as opposed to a specific application which may stand or fall because the possible grantee is viewed as inadequate in some way.

Foundations differ. I can remember Lew [Llewellyn] White, when we were funding the program in Berkeley on transient youth, saying to me, "Your foundation is putting money into providing showers for those folks, and that's just perpetuating the whole thing." And I said, "I'm sorry. We happen to think that it's a very good project, and we want to pursue it."

He said, "Well, our foundation isn't interested." I said, "You know, if your foundation isn't interested, that's fine. We are." There was much less collaboration in those early days. There was the coming together of colleagues but it was not collaborative funding.

Morris: It was more mutual problem-solving and confidence-building?

Luttgens: That's right.

Morris: The corporate "pass the application around" approach sounds similar to what I've been told that the banks have tended to do for years. They've sort of had an unofficial clearinghouse committee, that in addition to passing checks back and forth, has a group that decides on contributions.

Luttgens: I don't believe that's true anymore, or at least I'm not aware of it. I think all of that changed as the corporate grantmaking group became much more sophisticated and had staff that was designed to take care of granting. And as they discovered after

Proposition 13,* they simply couldn't fund a little something here and a little something there.

I can remember a member of the staff at the Bank of America contributions group in the Emergency Fund after Prop. 13 when I said, "I think that all of the corporate groups are going to have to develop a focus as to what it is they want to do." I can remember her saying, "Oh, we couldn't possibly do that, because we get grants from all over, and we have to grant broadly across the field." And I said, "Well, it would be easier for you if you had an emphasis somewhere, because both those grantseekers and those of you who are investigating applicants would know more about a particular area." And she said to me, quite a long time afterwards, "You know, we really have had to do that, more or less. We still give to a lot of things, but we've developed a particular kind of granting or particular area that we want to grant to."

So I think Prop. 13 changed a lot of that. The corporates were so flooded with requests, because the feeling was, "Go to the corporations. They've got money." And they found they simply could not fulfill all the needs, and they had to be much more professional and much more focused on what they were doing.

Conflict of Interest Policy

Luttgens: Well, we're skipping around here. Your outline asks about legal responsibilities of trustees generally. There's always been an emphasis at the Rosenberg Foundation on no conflict of interest and that sort of thing. The San Francisco Foundation also developed, early on, a "no conflict of interest" policy which we freely shared back and forth. The Rosenberg Foundation: from all my recollections, the trustees had been very well educated to the fact that if a trustee was involved in a particular organization either formerly as an officer or on the board or currently, that we told the rest of the board about that, and that we refrained from voting on the project. If the other trustees felt that we should not join in the discussion, we did not. That's now a formal policy for Rosenberg, as it is for the San Francisco Foundation and others.

*June 1978 California ballot measure; its passage sharply limited local property taxes.

I remember taking a San Francisco Foundation trustee to task when I was asked to sit in on their distribution committee at one point. He was very involved in an organization, and the application was about to be passed over when he said, "I think you really should look at this," and he was a member of the board. I was, frankly, appalled, because the staff had come in with a strong recommendation not to fund. When I was asked at the end of the meeting by Martin if I wished to say something, I could not refrain from saying, "I think it's terribly important that trustees refrain from any conflict of interest, actual or perceived." And the trustee knew exactly what I was talking about, because he immediately responded.

But back to the conflict of interest policy at Rosenberg. We were all very active in the community, so we obviously had involvements in some of the projects that came to the board, and so I think it was particularly important for us. I remember, in particular, the days of the Riles-Roth School Commission, when, of course, Bill Roth was on the board, I was on the board, Lewis Butler also. I don't remember whether Herman was still on the board, but there were about three or four of us, and we all had to refrain from discussing or voting on the request to fund them.

And I've had the same experience at the Walter S. Johnson Foundation. I've actually left the room, when I was chairing the San Francisco Education Fund, and they had a project from the Ed Fund that the staff person had developed. I said, "As you know, I chair the group," and I left the room and didn't participate in the discussion or the vote. They did vote it through. Now they are still doing projects with the Ed Fund, and I say, "I remind you that I am no longer on the board or chairman, but I have been very closely affiliated." And they all say, "That's fine." I don't know about the projects that are being presented now. Beforehand, I simply read what's there in the docket. I think it's an important point, because it's what the media brings up all the time--that the trustees are self-dealing.

Like the Danforth Foundation and the George Washington University grant, where the brother was a president of the university.

Walter S. Johnson Foundation: Observations on a Family Foundation in Transition

Morris: The Walter S. Johnson Foundation is not as well-known as many in the Bay Area. How did you get connected with them?

Luttgens: It's interesting. I was talking about this yesterday, because it is a family foundation, and I've been really the only off-board member. They had a man named Joe DeMaria, who was on the board when I came on, but he had been--

Morris: The only non-family member on the board?

Luttgens: That's right. But Joe had been so close to the family, so close to Mr. Johnson, and so involved in the financial affairs of Mr. Johnson, that I always considered him a member of the family.

Morris: Is this the same Mr. Johnson that put up the money that started the preservation of the Palace of Fine Arts?

Luttgens: Yes. First of all, I knew Gloria and Chuck Eddie--Gloria is Mr. Johnson's daughter--through their coming to meetings when the foundation was just beginning to be established. I met them and was told that they were in the process of establishing a foundation, and they wanted to learn as much as they could about foundations. They hired a young woman named Donna Terman who had just graduated from Stanford Law School, and their feeling was that she was somebody who also didn't know very much about foundations, so they'd all learn together. Donna immediately began acquainting herself with people in the foundation world. She talked to Ruth, she started attending conferences, the national Council on Foundations and, with no hesitation at all, seeking out national leaders in the field and asking them if they would talk to her. She has been an excellent executive for them.

They then asked me if I would attend a retreat that they were going to have--this is after the foundation was formed--up at Lake Tahoe. At that time, on the board were Gloria and Chuck Eddie, Gloria's sister Jeneal Shackelton and her husband Harry, their daughter Sandra Shackelton-Bruckner, Walter S. Johnson, Jr., and Joe DeMaria. I was simply asked to talk with them about foundation processes, which I did. I spent the night before and spent the day with them and then flew out that afternoon, and John Goodlad was coming the next day to spend the day with them, because they were particularly interested in education. I didn't think very much about it. It had been interesting to meet them, and I felt they were very much in the

formative years. Then, lo and behold, they asked me if I would join the board. I thought about it. They also asked Ruth to join, as I recall. They decided they wanted two outside people. Ruth declined. She had met with them a couple of times. They'd asked her to come down. And they also, I believe, talked to John Goodlad about joining the board, and he didn't feel that was appropriate because they were funding one of his projects.

So they ended up with just me, and I'd have to look up the date. It's been about five and a half years, or maybe five years, that I've been on the board. Joe DeMaria has since retired from the board, because he felt that when Mr. Johnson's property over in Pleasanton was sold that he was not as interested in the granting process as he was in seeing that that property became a financial asset to the foundation.

They have had a policy of rotating two grandchildren at a time through the board, and it's been very interesting for me to watch how this has occurred. Sandy Bruckner went off. She now is a member again. I guess I didn't know very much about family foundations, and I didn't give credit to them. It seemed to me they were just sort of dabbling, and I found that that's not true at all, with a good staff person and a very committed board, which they have--a very serious board that wants to do the best job they can. They're doing a very fine job of support and particularly in an area which is important; as I say, they've selected education as being an area they're interested in, and they're bound geographically by Northern California, Reno, and Maui.

What's happening now is that the Shackeltons have gone off. Mr. Shackelton wasn't too well. I think he and his wife were only on for about a year after I was there. Walter S. Johnson, Jr. has gone off. He was living in Maui, and they were doing some granting in Maui, some in Reno where the Shackeltons live, and the rest in the Bay Area. They're a young foundation, and they're doing a lot of soul-searching about what it is they want to do and how they want to operate. I'm about to go off. They finally established terms for board members, which they hadn't done before, and I felt that it was time for me to go. I had stood for one term and been elected. I had been on the board before they had terms. I've been on the board about five and a half years, and the new arrangements are that any board member who is not a member of the family can serve two terms and no more, whereas family members can either go off or repeat, as we do at Rosenberg. I felt I was so close to my two terms that I said I thought I should go off this fall.

So I'll be going off, and I'm in the process of assisting them to find somebody who will be a non-family member, who can bring to them some of the skills they need. I think I was helpful to them in the beginning because of my particular skills in organization and in education, and in knowing how a meeting should be held. When I first started, we had two meetings--two days of meetings--for each session. All day Friday and all day Saturday, from nine in the morning until about five at night. And I, of course, had to drive to Menlo Park and back again. I would be absolutely exhausted, and it seemed to me that it was not necessary to meet for that long. So I have been an advocate of brisker meetings. We're now down to one-day meetings, and they have been meeting three times a year. They've gone to four, because they have some less experienced grandchildren, and they've also gone to more of a committee structure, which they really did not have before. They have what they call a grants committee; it's made up mostly of the younger members, and they screen and review grants. The last meeting that we had went very briskly, started at nine and was over by four-thirty, and I credit the grants committee for allowing that to happen. Because instead of long discussions about each grant, the young people have had a chance to review them, look at them, talk about them in a separate session.

I think that I've been able to help them up until now. Now I think they need a different set of skills and experiences for somebody to come on, largely in the area of understanding financials. There's a lot of discussion about asset allocation and relationships with the investment people; and personnel--not that they've had problems in personnel, but they don't know a lot about how to operate in the area of compensation. They do have an investment advisor. They do have a very good attorney. They have a double investment arrangement, where they have one investment company that is overseeing two others, one for equities and one for fixed income.

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--I think the foundation is functioning much better than it was when I came on. And the thing I'm particularly pleased about is that the grandchildren are getting involved with a degree of responsibility. Up until then, they had simply passed through, and I think what they have now are some grandchildren who are really interested. I said at the beginning of this discussion that I had been talking to Sandy Bruckner yesterday, who is showing a great deal of leadership in the area. She had called me about a meeting that we're going to have with a prospective board member, and she said, "You know, I don't know how to do this. What is it we have to do?"

Morris: In selecting a new board member.

Luttgens: She knows what she wants. What she doesn't know is what to do at this meeting, because it's a delicate area.

Selecting Trustees: Rosenberg and Johnson Foundations

Luttgens: It made me review in my own thoughts what we've done at Rosenberg, when you look at a prospective board member. When I came on the board (Rosenberg, now, is what I'm speaking about), there was never any question if somebody was qualified. Number one, that person might be known to everybody on the board, but if not, we went along with whatever the nominating committee recommended. We'd all discussed the kinds of needs the board had, whether it was diversity or a particular skill. And then when the nominating committee, which is usually composed of three people, came up with the suggestion, we went along with it. The second phase was when we had to devise an excuse for a broader group, either the whole board or a enlarged nominating committee, to meet with a prospective board member. We had to think of an excuse, for example, for Herma Hill Kay to meet with us; we asked her to talk with us about what she'd done in the field of family law.

Morris: Not calling it "We'd like to talk to you about whether or not you might be on the board."

Luttgens: No. Very delicate, and Herma was absolutely marvelous, because I really think she thought we just wanted to pick her brain. So we took her to lunch, and we talked about it, and that was fine. It wasn't until afterwards, when we then formally said, "Would you join the board?" that there was any problem. A couple of other candidates--Jim Gaither, I'm sure, knew what it was we were doing when we met with him.

Morris: Is that Rowan Gaither's nephew or son?

Luttgens: Yes, his son.

Morris: Whom Ruth Chance had worked with on the Ford Foundation board a generation ago.

Luttgens: Yes, that's right, and she knew the family very well. She knew Charlotte, his mother, very well. Jim had spent some time in Washington and had a broad look at the human problems in resources and so forth. He was a superb board member,

absolutely marvelous, but resigned when he became managing partner of his law firm. He'd also been on the Walter and Evelyn Haas [Foundation] Board and dropped that as well and kept only the Stanford board of trustees and a couple of other outside activities. Then they pulled him back on the Marin Community Fund, as you know, to be chair of that group when it was established. And of course, now he's chairman of the Stanford board of trustees, which is lovely.

But back to the process. There were a couple of people who we met with, who we thought would be good candidates for board membership, and we had to devise this trick of pretending we were, or perhaps we were, interested in the field in which they were particularly skilled, who we didn't invite to membership. I think that's very difficult. So Sandy Bruckner was saying, "How do we do this?" I said, "We're all going to have lunch together a week from Saturday."

Morris: With one candidate or with two or three possible?

Luttgens: With one candidate. And I said, "I'll be perfectly frank with you, Sandy. I have already mentioned to her the fact that I'm going off this board, and that if she is interested and the board seems to think it's a good idea, there might be an invitation to join." I said, "I just don't see any other way with somebody like this who is so busy and so involved, that you can have a lunch out of the blue. We've already had one lunch with just Gloria Eddie and the candidate, and they got along like a house afire. Gloria's very anxious to invite her to serve on the board, so now she's meeting with some of the younger board members, and I'll be there, too."

So I said, "All right. Let's look at the problems we have on the foundation. Asset allocation, she knows a lot about that. She has not served on a foundation board before, but she's very skilled in the area of accounting. She is both a CPA and an attorney. She also is very skilled in the area of compensation and is involved in several corporate boards where she has had that sort of experience. I think the thing is you're already tracking. You're making the list. Simply ask her for some help and suggestions in this area."

Sandy said, "You know, whether she agrees to do this or not, I have the feeling that maybe we should ask her if she'd mind just talking to us about some of these things." So I think that's the way the lunch will go. The candidate will know, obviously, what the purpose is.

- Morris: Is it helpful if a sort of an interested third party says, "These people might want to talk to you at some point, and they might want to offer you a spot on the board," so that the recruiting people aren't saying formally, "We'd like to consider you for the board but we don't know whether or not we're going to like you." I would think it also works both ways.
- Luttgens: Oh, yes, because as she sees more of the board members, she may feel she doesn't want to spend time on it. Well, I thought and thought, because I was asked by a couple of people that are attached to the foundation, the professional people, if I would be of assistance, because I'd had broader experience than immediate family members, in suggesting who might be good. You see, I think they make a mistake in asking a professional who has been seeking funds from them, like a John Goodlad, to come on the board. Although they may be very experienced in the field, they may need them for consultants; you can do it that way, without involving them in the board.
- Morris: And such a person would be more appropriate as a potential staff member if you needed that particular skill in a foundation?
- Luttgens: Or a consultant. In other words, if you were to say, "Would you give us some consulting help for a year while we get into this new area of granting which we don't know anything about, rather than as a board member?"
- Morris: Was that a problem, say, with somebody like Herman Gallegos or Norvel Smith, who had professional experience in fields Rosenberg makes grants to?
- Luttgens: It's very interesting. Caroline felt very strongly, and I think she says in her interviews with you that her view of the best kind of trustee was somebody who was not a professional in the social work field but somebody who was a very experienced community volunteer or person of that sort. My own view is that the broader the experience, the more one can bring. But there were a couple of people who were suggested as members of the Rosenberg board who were never invited because they were professionals in a particular field. Herman really did more than his social work things. He became known in other areas as well, as a leader in the Hispanic community.
- Morris: Partly with the assistance of some fairly skillful grant support in developing some national Hispanic organizations. So there's a sort of a hybrid kind of a personal resume.
- Luttgens: That's right. Yes, I would say that that was an example. Yori Wada, for example, has gone on the Stulsaft [Foundation] board,

although Yori was considered for years as somebody who was such a skilled social worker that it was better not to involve him as a trustee. And, of course, he's superb.

Morris: But if a governor appoints him to the University of California regents, does that move him into a different category?

Luttgens: That's right. Well anyhow, I don't know how this will come out, but as Sandy Bruckner said to me, "We are beginning to establish a process. We haven't had it before. I want to be sure we do it right." She's the chair of the nominating committee. I said, "Well, you have to have a meeting with the candidate, in this case. I mean, you all want to do that. And then I think you have to poll your nominating committee and see if they wish to invite her to membership, and then you report that to the board, that you would like to invite her to membership and send her a letter."

And hopefully, all this can be done before the October meeting, and she can be elected at the October meeting to start serving in March of next year, which would be their next following meeting. So, who knows? This candidate may decide she doesn't want to fuss around with all these young people in this kind of effort. But the board is coming along very well, I think.

Capital Questions at Rosenberg

Morris: As you mentioned, it sounds like they're very much interested in developing the process and in having a sound foundation. Is the plan that its assets will grow and it may develop?

Luttgens: That's a good question. They have, to all intents and purposes, sold this property in Pleasanton. The last payment will come next January. When that is done, they are through with that. Now the only way their assets could grow is by a different kind of investment, because as it is now, they're pretty much spending income every year. There will be no other grants to the endowment, as far as I know, unless Chuck and Gloria Eddie or Walt, Jr. have made provisions for that. I don't see anything else.

Morris: Well, I was interested, in going through the Rosenberg Foundation records, that there have been a couple of non-family additions to capital.

Luttgens: That's right. There have been.

Morris: And I wondered if those were expected. John May used to speak about bequests that would mature at a certain time. There had been Charlotte Mack's gift way back.

Luttgens: Charlotte Mack's gift, Ruth may have known about. I don't know. We did not know about Ellie Sloss's gift. That came as very much of a surprise. As far as I know, there haven't been any others. The only other time that, I think, the trustees felt that they would like to individually give was in memory of Frank Sloss, so that was done. We had talked, from time to time, about actually trying to go out and solicit from people who we thought would be interested, but we've never done it, and I don't think we ever will. We had had discussions over the years. I remember Lew Butler, in particular, saying, "Well, we can either go on like this in perpetuity--or try to raise funds from individuals." There was very definitely a feeling we didn't want to turn assets over to the San Francisco Foundation so that Rosenberg would go out of business.

Morris: Was that suggested at one point?

Luttgens: That was something that was mentioned. The other thing was that we didn't want to spend ourselves out, as some foundations have. The other alternative would be to go out and solicit gifts or make an attempt to get gifts from either former trustees or something of that sort, and we really didn't think that was such a great idea.

Morris: Was this part of this future plans review of the 60s and 70s?

Luttgens: It's come up from time to time. I believe it was part of that discussion, that early discussion, around the time that Ruth retired. But we're sort of happily going along spending what we can.

Morris: Was the Sloss bequest large enough that it made a difference in how the foundation operated or its potential for making grants?

Luttgens: It was \$50,000 and was earmarked for some activities at Mills College, because we felt it was something that she had been particularly interested in.

Expenditure Responsibility

Morris: What about the expenditure responsibility provisions of the 1969 Tax Reform Act? I remember ten years ago, when I was talking with foundation people, they were much concerned that federal regulations would mean that they would become much more involved with and responsible for grantees. Did that turn out to be as much of a problem as it was thought to be?

Luttgens: From time to time, that issue has been raised, and it's always mentioned if a grant takes that expenditure-responsibility effort by the board, it's always reported in the application as the director reviews it with the board. The board has had to look at that.

There have been a few for which we have taken expenditure responsibility. You tend to forget particular grants after you've made them as a trustee, unless the area is one that's of particular interest, or the grantee is one that is consistently supported over a longer period of time. And when we talk a little bit about those long-term grants, that has some pertinence. But there was a grant at one point, where a man in Oakland did run off with the grant money. It's been a long time ago. I think it was when I first came on the board. But it was one of those things you really could not have anticipated. The two directors that I have known in their capacity as director, both Ruth and Kirke, have always been very careful about mentioning expenditure responsibility.

Public Policy Considerations

Morris: It sounds like there was not a formal orientation when you went on the board.

Luttgens: Ruth Chance was my formal orientation. She really spent about an hour and a half or two hours with me, going over these materials, discussing the foundation and the history. And somewhere in the outline you've mentioned the history of the foundation. That's something that I bring up from time to time, as far as the board's concerned, now that I'm the senior member, because it's something that some of the newer board members may not be aware of. They certainly were during the fiftieth anniversary. The outstanding people who had been trustees at the foundation and really, the national tone that that set for the foundation, that it was attracting outstanding people and

those of us who are now trustees really, I feel, should be very proud to be a foundation trustee.

You asked me how I felt when I was asked to go on the foundation board. I really was thrilled, because what it said to me was that I knew enough about the community to be put in a position of allocating some very precious funds and to join that august group. I really was thrilled, and when people have asked me what part of my community activities I've enjoyed the most, my answer always is the Rosenberg Foundation. It's been really a delight to serve there and to work with people who I thoroughly enjoy, both staff and board, and to be privileged to be in the area of doing--as I said in my annual report, that it's doing very important work, even though government funds are so much more sizable, or were.

Still, the foundations can lead the way, and the steps that I've seen foundations take, this foundation, in particular, the Rosenberg Foundation, in moving from simply providing service to changing public policy, has been a hallmark, I think, of Rosenberg. We've actually turned down grants, where we've looked at the grant, and it's a perfectly good grant. It's a fine grant. But we can see that that agency has the capacity for raising funds from other foundations, from a lot of other places, and unless it's really something that is going to bring about some change...This has nothing to do with the merits of the grant, necessarily. There are always too many good grants, and the grantee, or the applicant, can say to you, "But I've met all of your criteria." And they have, but there is an area that goes beyond meeting criteria, which is judgment--how good the staff is, how important the grant is to the field, and how necessary it is that we make that grant.

Morris: In the first years you were on the board, did you already have the sense that part of what the board was doing was looking for things that would make a public policy different?

Luttgens: I think it was there, certainly in the kinds of things that Ruth was recommending. I can remember one grant in particular, and this is jumping a bit. I perhaps haven't answered your question. The answer is yes, I think it was there. But not as clearly articulated as later. I remember one grant, early on, that all of the women on the board were in favor of. This would have been Caroline, me, I think Ellie Sloss was still on.

It had to do with assisting conscientious objectors to know about what their options were. The men on the board absolutely would not go for it. And I can remember Caroline saying afterwards, "Give up. We can't do it. We aren't going to have

a pitched battle about this. It's a good project, but they obviously feel it is not appropriate from a patriotic standpoint and from a male standpoint, and so there's no point in pursuing it." Which was an interesting thing.

Most of the time, most of the things we funded were proposals that Ruth brought to us, and then later Kirke. Although there were times when we turned things down, for one reason or another, and there were times when we had split votes, when it wasn't unanimous. If it was a very split vote, we would reconsider.

Relations with Applicants

Luttgens: One of my pet peeves was when some of the newer board members came on, they would try to redesign the project at the meeting, and I've always had trouble with that. It seems to me that if you start telling the grantee to do something one way or another as opposed to what he or she has in mind, number one, it's not going to work, because he or she will only do it to get the grant, and it isn't really what they had thought about in the first place. Those sorts of things, it seems to me, need to be worked out, before it ever comes to the board level. It really bothers me if your executive director comes in with a project to the board and the board starts saying, "Well, maybe we ought to do this instead of that." An add-on is all right, as far as I'm concerned, if you want to add an evaluation component or something of that sort. But to start turning and twisting the project--

Morris: Do you have any sense, from listening to Ruth's, and later Kirke's, presentations, as to how many times they will have suggested changes to an applicant in the process of review?

Luttgens: Yes. I think both of them have, from time to time, in the discussion with the applicant, been sensitive to this and have suggested that it would be a better project if it were focused slightly to one direction or the other or whatever. It seems to me that your staff person is a filter, and that filter is based on the knowledge of what it is the trustees are interested in and the thrust of where the foundation is going based on discussions and published policies. It is up to the staff person to refine the project, as much as it can be done, to bring it to the board.

There was a piece in the *Foundation News*, two or three years ago, that they asked me to comment on, where it was asked how much direction or discussion should the staff person have with the applicant. And my response is, number one, if the project's good, anything that will help make that project as good as possible, without directing the project. And I still believe that's true. Because, after all, what you want in granting, to my mind, is a successful outcome and, without tinkering, it seems to me some suggestions can be very helpful.

Morris: It sounds as if, amongst foundations in general, there has been quite an increase in foundation staff people working with applicants. Sometimes when it's in a policy area, I have wondered if there is some concern about whose project is it.

Luttgens: And whose priorities.

Morris: Yes, and does that become a problem?

Luttgens: Well, again you have to have faith in your staff and what they're doing, it seems to me. If the purpose of the project is appropriate, if the applicant perhaps is not as skilled in one area as another and the staff person says, "Perhaps you want to have this looked at by a legal person or an accountant," or something like that, I consider that technical assistance. I think skewing the project, as you are somewhat suggesting, is where you get into difficulty, because the grantee, or the possible grantee, wants the money and thinks perhaps that can be tinkered with enough so that it will be funded.

Morris: And if the foundation's policy is the same as the general area that the applicant is working in, it would seem to me that that could become a sort of a tricky area.

Luttgens: I think it is tricky, but on the other hand, if a foundation simply looks at applications and says, "Well, that's the purpose we want but it isn't a well-written application," and sends it back, it seems, to me, that's detrimental. One of the biggest criticisms, as I understand it, from grantseekers, is that there isn't enough communication between grantgivers and grantseekers. Now they don't mean direction, and they don't mean shaping, but the ability to communicate between the two.

We had a marvelous conference down at Stanford a couple of years ago on the future of foundations, where Pablo Eisenberg was one of the participants. And Pablo said, "You know, you can learn from us, because the grantseekers that are coming in know where the problems are. Let us participate in discussing with you what the aim of the project is, what it is we're trying to

accomplish, and so forth." And I think there's a lot of validity to that. That's very different.

Views on Site Visits

Luttgens: You have a question in your outline about did we ever do site visits at Rosenberg. Frankly, we didn't. It was very much that the filtering process of the executive having the contact, bringing in the project, presenting it to the board, so you had three parts to the equation. I think that's changed somewhat, and I remember Lucile Packard and I, on panels, when we were together, would present these differing views. She felt very strongly that a site visit was important for the trustee to understand the project. I still have some reservations about it. I think that what is apt to happen is the person making the site visit, particularly if you have a board that is broken up so that one team is going to one project and another team is going to another project, you can't help but get involved if you see a good project. And when you get into the board meeting, you're going to speak for your project.

Morris: That's an interesting aspect of it, yes.

Luttgens: And I have a problem with that, because I've seen granting done by a board that would not be done by me by myself, or Jane Smith by herself, or John Doe by himself. But when they come together, the board as a group determines that this is important, and it seems to me those group decisions--you see, I call that collaboration within the board, and I talk about that in that little piece I did for the Northern California Grantmakers book, "Collaborative Granting."* I think you have all kinds of collaboration. You have board collaboration--what it is they want to do. You have collaboration between staff members around a particular area that they want to address. But that collaboration is awfully important, as far as the board's concerned, because you're spending money that isn't yours, and you have people on the board who come from a diverse group of backgrounds. The board needs to feel comfortable in making a grant, it seems to me. It's what they need to do to carry out the wishes of the foundation.

*"A Trustee's Perspective on Collaborative Funding," *Perspectives on Collaborative Funding*, San Francisco: Northern California Grantmakers, 1985.

Board Collaboration and Continuity: Recent Additions

- Morris: Could you find me an example for how board collaboration differs from consensus-building?
- Luttgens: That's probably a better word for it--consensus-building. And perhaps I'm using the word incorrectly.
- Morris: Consensus is a more usual term, but I have this sense that collaboration is something that you've thought about.
- Luttgens: Well, the reason I thought about it is that I was asked to do the piece on trustees for the little book that the Northern California Grantmakers did. I wanted to introduce it as an element of consensus-building, or whatever you want to call it.
- Morris: Is it what Kirke refers to as the culture of the foundation? That's a striking image.
- Luttgens: Well, it's what the corporations were all trying to do to establish--a culture for their corporation. You know, you talk about culture of an organization.
- Morris: That is, it's a personality and a dynamic specific to your organization?
- Luttgens: That's one of the reasons I haven't gone off the Rosenberg board. Nobody's asked me to, but all of our terms came up about the same time.

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Because we had all come on at about the same time-- [reading] Peter in '69, Leslie in '69, Lew back again in '72-- Lew called the three of us together and said, "I think we ought to talk about the fact that we shouldn't all go off at the same time." So we had lunch, and we talked about it. And Peter said, "I want to go off, because I have a lot of other activities that I have to get into." I believe he was chairman of Levi Strauss at that point. And Lew said, "Well, I'll go off second, then."

So Peter went off first, which would have been '83, and Lew went off in '84, and then I said, "And I guess that means I'd better go off in '85, or whenever my term is up." Lew said, "No, I think you ought to stay as long as you can." And he said to me the other day, "Don't get off that board. Don't get off that board." He said, "They're doing a wonderful job, but they

still need the sense of history. There has been so much change on the board recently." So there you are. I'm still on the board with, how many years is it now? '69 to '88 -- that's fifteen years, almost.

Morris: Almost twenty years.

Luttgens: Oh, you're right. Good heavens! But I say to them every once in a while, "Any time you don't want me to continue, I will retire, but frankly, I enjoy it." So I've stayed.

And the board is superb right now, I think. We really have done a lot of work to bring on people who care about the foundation and have particular kinds of interest and skills to give. You look at Ben Dial, who is recently retired as an executive vice president of Pacific Telesis. Don Ritchey, who is a former CEO of Lucky Stores, but who I'd known through a couple of corporate connections, and he's started a whole new life. He's on the board of California Tomorrow with Lew Butler.

He's having a wonderful time. He's a very thorough kind of person. Before he would come on the board, he wanted to interview as many board members as he could, and I suggested that he talk to Lew Butler. He went to talk to Lew, and of course, Lew immediately thought, "Wow, I have to have this person on my board," and asked him. And of course, Don came on, and he's just enjoying it thoroughly. It's opened up a whole lot of things that he was interested in that he wouldn't have done before.

Morris: You said he'd gotten into a whole new life. I wondered if he'd left his business career.

Luttgens: After he retired. He gave them notice that he was retiring as chairman of Lucky Stores over a two-year period. Then he turned the CEO spot over to somebody else. He continued as chair for another year or six months and then continued on the board and, I guess, has been on the board until now. Lucky Stores has been taken over by American Stores. It was phased.

Morris: Is he in his fifties or sixties?

Luttgens: He's in his fifties.

Morris: So he has phased out of his business career younger than many people do.

Luttgens: That's right. However, he is still a director of a couple of corporations, particularly the Christian Brothers-Chateau

LaSalle. They had brought on members from outside the religious order.

Morris: Christian Brothers?

Luttgens: That's right. And several of them. They are having a wonderful time. They are changing, bringing about better marketing. They're making all kinds of suggestions. He's on California Tomorrow, as I say, and a couple of corporate boards. He's on the McClatchy newspaper board, where he's seen how a newspaper operates, and is setting policy for that. They've gone public with their stock for the first time. There is some enlargement going on.

Don is currently our treasurer, and he's absolutely superb, because he's introducing a lot of new ways of looking at financials, which I wasn't competent to do. When I was treasurer, he was on my committee, and he began introducing some of these ideas. So I was delighted when he became treasurer this year.

Mary Metz is an enormous asset, of course, with her background. Dick Rosenberg went off when he went up to Seattle. He has come back to San Francisco, but not on the board.

Morris: Has he any connection to the Max Rosenberg, who created the foundation?

Luttgens: No. No connection. Don and I knew him when he was the vice chairman of the Crocker Bank board. I had known him through the San Francisco Education Fund, when he was with Wells Fargo. We had him on our Ed Fund board, and he is just a crackerjack person. But he resigned from the board when he went up to Seattle. He laughed when we asked him on the board, because he said who else could have a foundation named after him without having anything to do with it, until he became a trustee.

Phyllis Cook is a very active member. Jim Gaithers's gone off. Cruz Reynoso, if all follows in process, chronologically, will be our next president after Herma Hill Kay completes her term this year. Peter Sloss has already been president. Bill Kimball went off when he was chairman of the board of trustees at Stanford, and it just got to be too much for him. But he's continuing to serve on the Wattis Foundation board. He's related to the Wattis family and is giving his expertise there. Marguerite Lederberg was really Jing Lyman's suggestion, because she knew Marguerite from Stanford. None of us knew her. Her reaction was, "Well, I don't know anything about a foundation. Could I try it?" She was really on the board fairly briefly,

'75 to '78, when her husband went off to head Rockefeller University in New York City. She'd really never hit her stride; and, of course, Norvel is still a member. Herman is now going off the Rockefeller board.

Morris: Would the Rosenberg Foundation invite him to come back?

Luttgens: Probably not, because we have a full board complement now. The board is developing that consensus-building, that knowing one another well over a period of time.

Peninsula Area Philanthropists

Morris: And the sense of continuity that you're providing. You mentioned Lucile Packard a few minutes ago. We were not able to interview her before she became too ill, and listening to you describe the evolution in the developmental stage of the Johnson Foundation, I wondered if you would have known Mrs. Packard when she and her husband were in the developmental stage of their foundation.

Luttgens: I really did not. I knew them slightly up at Fallen Leaf Lake, where they used to come in the summertime. Caroline used to go to Fallen Leaf, and Bill and I went to Fallen Leaf Lake, so we would see them once in a while up there. But I really did not know her during those early days. She was a wonderful board member, and she did have that difference in her philosophy and mine, but I think it's the difference between a family foundation, where you really want to see what your money is doing.

Rosemary Young, the wife of John Young, the chairman of Hewlett-Packard, is now serving on the Peninsula Community Foundation board, and I had met her through Lucile, and I told her if there was anything I could do to be of help certainly to let me know and never did have that opportunity to talk with her on a one-on-one basis at her invitation or whatever. But Bill Somerville asked me to come down and talk to his trustees one night over dinner, which I did, and I made the comment that I did not feel it was necessary for board members to make site visits, for the reasons that I've already described. Rosemary, I could see, was getting very disturbed, and finally she said, "I'm so new to this field that if I don't make site visits, I can't learn." And I said, "I understand that, and that probably is a very valid reason for making site visits, but the problem is getting too attached or having the grantee or applicant think

you are going to speak for them at the board, which needs to be clarified."

So I can see both sides of it, and especially since the Johnson Foundation grandchildren, although they have this grants committee that is reviewing projects, they also are getting into going with the executive to visit projects--a site visit. I guess I've changed my mind a little on it. There are circumstances where it can be very educational for trustees.

XII EVOLUTION OF ROSENBERG GRANT PROGRAMS

Kirke Wilson Becomes Executive Director, 1974

- Luttgens: Of course, that leads us into the discussion about the trip to the Valley and also the San Diego trip, which are both good examples of the trustees en masse finding out about an area where they have been making grants.
- Morris: To introduce that, my question would be: What kinds of things did the board ask of Kirke coming in, and then how did he go about taking hold of the job? I understand that Ruth was around for a while as a transition for him.
- Luttgens: She was, and she was available to him during that period. He, of course, is so bright that he immediately took hold, and with great sensitivity to Ruth's position, I think, of being of assistance to him. He brought some particular kinds of experiences that she hadn't had--his experience in working in the Valley with people. I would say he had no problem at all. I think at his first meeting, he was a little apprehensive about whether the board was going to approve the grants or not and was very relieved when they did. And as a matter of fact, as I recall, we approved every application on purpose.
- Morris: What a nice gesture.
- Luttgens: As I recall, we did that. We might have turned one down, if it hadn't been for the feeling that it was important to him to approve all of his grants the first meeting. But I think he brought us good grants, and he's continued to just do a superb job, and we get into these discussions about should we change direction, should we modify, or whatever.

His annual summary that he gives us is particularly good--how the grants have changed over the past few years. For

example, there was a question about minority grants. For a while, we felt very strongly that we were not granting enough to women's projects, and projects run by women, not projects for women run by people who were not women. He does an annual summary of projects by area of granting. We've already designated by women, minority, and so forth, which very clearly allows us to put into perspective where we've been and where we might say to him, "You know, it looks as if we don't have enough projects in this particular area. Can we do something about that?"

From Immigration to Families in Poverty

Luttgens: The last couple of years, of course, have been an aberration, because we've put almost all of our money into the immigration area. But we now are looking at the whole area of children in families in poverty, because I think we've gone probably as far as we can in this particular phase of the immigration picture. We don't have a lot of money left this year, but we are trying to educate ourselves about this. Board members making suggestions about materials and Kirke getting materials and sending them to us has been very educational for us. We really aren't shaken down yet. It's such a massive field that it's going to take us a while, but I know we're on the right track. It's a natural for us.

Central Valley Self-Help Projects Revisited

Morris: How did he present the idea of going out to look at the Valley?

Luttgens: I can't remember. I have the feeling that suggestion came from Lew Butler. Because Lew has always been very innovative in his thinking, just as Lew suggested that we ask Lou Cannon to do that annual report profile.* I believe that was Lew's suggestion that we have somebody do the profile, and it was out of that suggestion that Lou Cannon came about. The board really didn't have anything to do with Lou Cannon. Kirke did, and whoever was overseeing the annual report did. I was not on that

*"New Factories in the Field, An Essay on Agriculture," Rosenberg Foundation Annual Report--1978, San Francisco, 1979. Copy in supporting documents.

committee, and I'm not sure they even met face-to-face with him, but it was the idea of getting someone who could really describe what was going on there. And of course, I thought it was a superb essay.

Morris: It's a striking piece. I was really interested, because I have read a lot of Cannon's political reporting and have found it very interesting and entertaining.

Luttgens: But the trip to the Valley, as I recall, was a result of Lew Butler's saying, "We ought to go down to the Valley sometime." And I must say, it was an absolutely wonderful experience. Number one, we hadn't participated as a board in an informal setting like that before. As Lew Butler said, "The big question is, what are the trustees going to wear?!"

Morris: Now that's the question usually a woman in the group asks.

Luttgens: Well, because we always met at the St. Francis Hotel for lunch, everybody was formally dressed in downtown clothes, but this event was to be leaping in and out of planes, vans, riding through the hot countryside--what did one wear? Well, the ladies wore slacks. Jing had her slacks tucked into boots. I had my tennis shoes on, but as Lew said, they were my dress tennies, because they were brand-new.

So we all climbed on the airplane to go to Fresno, or wherever it was we landed, and then Kirke had worked out a wonderful day. The thing that struck me most about it was that it did bring all that granting to life. The self-help people, who I hadn't met--they had just been on paper. Bard McAllister was wonderful. They put us in individual cars at one stage, where we were driven by the grantee population in small groups, so that we had a chance to interact on a one-one or two-two sort of basis. We had lunch, of course, with them, and to see how thrilled they were that we were there was just a revelation. They had heard about us for years, too, but the only people they'd met were Kirke and Ruth, originally. So it was, to them, a mission to their part of the world. It was really a marvelous experience.

Morris: Were there still some of the people from some of the grants that the American Friends Service Committee had sponsored?

Luttgens: I believe so, because some of those had continued. Not a lot, but there were a few that we'd been granting to for years and years.

- Morris: Twenty-five years was what the annual report said, which is really remarkable, considering that some people have a terrible time getting a one-year renewal or extension.
- Luttgens: Well, of course, the projects change. It wasn't as if we had supported one project. It was that they would come in with something else that was an important new project. I think that came from Ruth and from Kirke both, who felt that if you had a good grantee, and they were continuing to grow and do different things in line with changes in policies that had been articulated by the board, why not? And even when we changed, this last time, from the areas that we had been funding. Bananas,* for example, no longer met our current criteria after that yearlong look--the most recent one--Kirke very carefully designed a two-year carryover, so that those grantees who we had been giving to over a period of time were given notice that our grant policies were changing, that they would, to all appearances, no longer qualify, but that we would continue to grant over this period to them so that they could develop resources and so forth. Not that we were their sole source, but it was a very humane way to do it.
- Morris: Bananas is a good example, because they've been around for about ten, twelve years now. Have their programs changed and their focus changed?
- Luttgens: Yes. They've established a program for twins that we funded, as I recall, and they had parental-education projects. Of course, we funded the child-care switchboard in the very initial stages, and that's now grown to be quite a major thing. You asked about the child-abuse area. I don't recall that that was granting that we did with Zellerbach [Family Fund]. We could have, but I don't remember it in the context.
- Morris: It doesn't come as much into focus as some other areas.
- Luttgens: I think the whole area of, again, collaborative granting, is something that's fairly recent, as far as the Bay Area is concerned. Kirke, for example, will fund something that maybe Gerbode was also interested in, but it wasn't as if they came together and said, "Let's do this," or that Kirke called Tom [Layton] and said, "I've got this grant, and I think it's good, and you'd be interested, too." It just happened, but it is a way of assessing the kinds of granting other people do.

*Pioneering child-care services umbrella organization.

Collaborative and Corporate Grantmaking

Luttgens: I remember Marcia Argyris at McKesson [Foundation] when she first started with them, and I would see the McKesson granting turn up on some of the projects that Rosenberg was doing. To me, that was a real breakthrough, because most of the corporations were not doing the kind of risk-taking that Rosenberg was, and it established in my mind that those programs were good. I was on the McKesson board when Marcia started.

On the corporate boards, I chair a public-policy committee at both McKesson and at Telesis. We do not approve specific grants. We approve an amount of money at the beginning of the year, which is the contributions budget. That's been one of my little things that I speak to from time to time in the corporate setting as well, because, for example, at one corporation, one of the directors would say, "I see you didn't give anything to the ballet last year. You know, my wife is very involved in the ballet." I would speak up in no uncertain terms, and I would say, "I think we, as directors, need to keep straight what our role is, which is to establish a gross contribution budget but to allow the staff to allocate the contributions within that." The fellow from Fresno is always saying, "I see you're giving more to Fresno this year than you did before," and we all kind of laugh about it. He doesn't say "to these specific organizations."

We had a member of the public-policy committee at another corporation who was from another geographical area who would specifically offer advice on particular projects, and I told the staff person that I had some real problems with that. So they worked it out so that he could give input early on about something he was interested in, but to leave it alone for the staff to evaluate whether it was something they ought to do or not. It's a sort of a corporate stance, which is a hangover from the days when the CEO or his family interests directed the corporate contributions, and that is not as true any more as it was in the past.

I've forgotten how I got off on that.

Visit to San Diego Immigration Facilities

Morris: Oh, we started on site visits, and then we got to Rosenberg trustees going en masse to the Valley.

Luttgens: It was a very worthwhile experience, and as a result of that, when we got into the whole area of granting in the immigration field, Kirke suggested that we do that San Diego trip. Lew had gone off the board by then, as I recall, but we included him in that session. I think that's right; I don't believe he was still on the board. That visit was one of the most stunning experiences I've ever had.

Morris: I haven't heard that one described in much detail.

Luttgens: The San Diego one? Well, we all flew to San Diego, and the night we arrived, we immediately went out with the [U.S.] Immigration and Naturalization [Service] people, met with the officer in his office, and then were shown around. The order may be a little skewed--these were the elements of what we did the first night. We saw the holding pens, where people were held, which were absolutely appalling. People like caged animals, looking through fences. We were taken out on top of the mesa in a van in the dark, with a communications officer. We could hear somebody from someplace else saying on the radio, "Don't go to Quarter Number 5, because there are some people there with guns." The helicopters were flying around, and the searchlight was shining down, and behind the little bush comes an immigrant with all his belongings in a little cloth sack. He's immediately apprehended by somebody else who packs him in another van and off he goes.

Morris: This is somebody coming across the border from Mexico?

Luttgens: He had crossed the border. We saw the area--actually, we went out, I guess, before it was dark--where all of the people were playing ball across the way, which Kirke had described to us, across the border. We could see them all, out on this great big playing field, and as soon as dark came, people began to disperse over the border, and the whole thing was so vivid. And then we visited the computer room, where the fellow that had just been picked up was run into the computer, and Washington reported that he'd already been picked up twice before and had been sent home or had been held for some reason. And I kept thinking, "There I am in that computer." They know where I am every minute, so to speak. It was really a frightening experience.

The next day we met with some of the service agency people that we'd been funding--where the Spanish-speaking counselor would talk with the immigrant and find out what the situation was, what could be done to help. Perhaps the family had come from another part of the United States, through San Diego, because there were better health facilities and they had ill

children or a child with cerebral palsy, or whatever. There were women whose husbands were still in Mexico who wanted to go back and join their husbands. Of course, this was all before the [Simpson-Mazzoli] immigration law had been passed, so we were seeing a pretty normal process.

The second day, as I recall, Kirke had invited some other people who were serving in the area--foundation people. I remember a friend from First Interstate Bank, Lloyd Dennis, who was staffing an immigration committee for the California Business Round Table, was invited because he was trying to learn as much as he could about this area. He was their public affairs and contributions person from First Interstate for the Round Table, but his boss, Norm Barker, chairman of First Interstate, was chairing the committee that was looking into immigration to make a report. And Lloyd was seeking as much information as he could, so he was part of that discussion, along with a number of service-providers, grantees who we had been funding. And we all came together to talk about the whole thing, and I remember Lew saying, and I totally agreed with him, "There's no clear answer about what to do."

Of course, there are too many people coming. It was my personal opinion that the immigration service was doing its job, but what a dirty job to have to do, with these people's lives. The whole thing was so big. Until something could be done about the economy on the other side of the border, you were going to continue to have people coming into the U.S. One of the revelations for me was that it wasn't just Mexicans and Central Americans. It was East Indians. It was people from Europe. There were all kinds of people that were coming in through the portals that were available to them in infiltrating the border.

Morris: Through Mexico?

Luttgens: That's right. Because it was a way to get into the country, which I hadn't been aware of. I just thought those people on the other side of the border were coming over here because they need jobs. And the breakup of families and the whole thing was just a stunning experience. I remember having lunch with a friend a couple of days later, and I still was under the spell of what I'd seen. We still, of course, are funding some of those agencies, and they were part of that fiftieth anniversary --some of them. It was wonderful to see them as part of that meeting. That fiftieth anniversary event, I think, was one of the most exciting things I've seen happen, as far as Rosenberg's concerned.

Larger vs. Smaller Projects: Child-Abuse Council Venture

Luttgens: I guess, getting back to the child-abuse prevention, you said, "Were these initiated by Kirke?" No, they were not. That started when Ruth was still there, and we funded Elizabeth Davron doing that study on child abuse, which was a very definitive document for us, then, to build on. Out of that later came one of those child-abuse projects, which was one of the larger, longer-lasting projects, which was not as successful. In other words, we were looking for bigger projects. And that was something that Malcolm Watts had advocated. He said, "If you have a small staff, why not give more money to a particular grant and do a bigger impact?" We did the Child Abuse Council, and it was one that was not very successful.

Morris: There were a couple of agencies in the San Jose area, and I wondered if they were related.

Luttgens: I believe we led the way.

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We were funding a lot of child-abuse programs. We had also gotten into the area in a pioneering way in Santa Clara County with funding projects on incest, to try to keep the family together as opposed to having everybody go to jail or end up in a psychiatrist's office and so forth--but to work with the family. Both of which were very pioneering. And it looked as if we shouldn't just keep funding more and more child-abuse projects because it was endless, and other people were beginning to get interested in it--and the same for incest now. There are a lot of people funding that.

So we came upon the idea that was presented to us of establishing a Child Abuse Council in San Francisco with the professionals that were working in the field coming together and working together. It seemed like a great idea. So we started it with a fairly large grant, as I recall, and I can't tell you the year we started it. It was the only time, up to that time, that a committee was established to oversee a project.

Morris: A committee of the board?

Luttgens: Of the board. Frank Sloss and I served on it, and I think we were the only two. We met with the main person, Dr. Moses Grossman, a pediatrician from San Francisco General [Hospital], and tried to take a look at the project. We did not play an

active role. They had him report directly to us, along with Kirke. It went astray because they had problems with their staff, and instead of our stepping in and saying, "You need to make a change. You need a different kind of staff person," we sat by and watched them switch staff two or three times, and it just wasn't a very successful project. However, today it has been revitalized and is well supported and viable.

Now, Ruth would probably be the first to say that probably out of that came some good things, because there always are some good things. And probably the good thing was that the people that were working in the same field had more of a sense of who they were, so that they had more of an understanding of their own network. We had such great hopes that it would establish some real standards in the field and make some progress, and I don't think it ever really did that. I can't remember what the other project was that we had a similar experience with that taught us that you simply can't say, "We're going to do a bigger project and put a lot of money into it," without really providing some supervision.

Morris: In order to make a bigger impact on awareness of, or possible solutions to a problem?

Luttgens: Yes. There's always been the feeling in each one of these program direction re-evaluations that we would continue to fund some little projects that would be good projects because of the person that was running them or had conceived them, who would bring those ideas to fruition. That's what so much of it comes back to--the individual who can develop a project and then grow it and turn it over or get out if they can't continue to run the larger organization.

Morris: And leave a loophole for the foundation to respond to a project run by an individual with ability that may not fit into an overall granting program?

Luttgens: That's right. And that's my earliest recollection from the time that we first started talking about what the foundation was going to do when Ruth was retiring, was that the board really didn't want to let go of those little projects that maybe didn't quite fit the criteria. But they were so good and nobody else was going to do it, that we wanted to do it.

Discretionary Budget, Board Meeting Practices; Annual Reports

Morris: Is there a discretionary budget for the executive director?

Luttgens: There is now. There wasn't when I first came on the board. I think the board now is much more business-oriented than it had been before and is apt to say, "You ought to be able to approve grants up to a certain amount," or where a grantee wants to stretch out a grant or where there is an add-on like an evaluation or something, where it doesn't change the purpose of the grant. But those are always reported to us immediately at the next meeting.

The other thing was we always used to meet every month, except for July and August. Now we're on an every-two-months calendar, and again that's because we have participants, trustees, who come from the East Bay. They would rather come for three hours once every two months than to come for two hours every month, because of the travel time. So that's worked out quite successfully. We say we're going to be there from twelve until three, and if we finish by two-thirty or a quarter of three, that's fine. I think it's just a better use of people's time. It's also been easier for the staff, because they don't have to provide a docket each month but have a little bit more time.

Morris: Does it still include lunch and sociability?

Luttgens: It still includes lunch. Actually, some of the sociability--it depends on the docket. If it's a big docket, we get into it faster. The chairmen have been much more organized, I think, than they used to be. There's still a lot of discussion about a number of things that are of interest to individuals, and we each have our own kind of specialties that we can chime in on or get asked about, one or the other. It's a board that's working well together now, I would say.

Morris: That's wonderful. Why don't we stop there for today, and next time we meet, what I had thought we'd go into is your term as president and this emergence of thinking in terms of public policy, because I think that's really important and interesting.

Luttgens: I'll have to review what happened when I was president (laughing), because I was--

Morris: Well, I think the immigration support may be an area in which this is happening, as you described it in your president's message that year.

Luttgens: I really struggled over that message that I did. It was my report, and I think in the past, staff had drafted the report, with some changes. Then, Lew Butler wrote his own report and did a super job. And I don't know whether Peter Sloss--you see, we have another annual report coming out that'll be a three-year report.

Morris: Well, actually, from the point of view of trying to reconstruct the history, a three-year report is fine. You can see what is happening over time.

Luttgens: Well, I was very embarrassed, though, as chairman of the Council on Foundations, where we were advocating for annual annual reports, when the Rosenberg Foundation did not.

Morris: Was three years behind. Yes.

Luttgens: And I kept raising the question.

More on Board Diversity

Morris: In reading the fiftieth anniversary notes, I saw that Peter Sloss was president that year, and I must say, I wondered if there was a Sloss seat on the board.

Luttgens: You did say that. No, there isn't. When the nominating committee was meeting before, or maybe when Peter Haas was going off the board, I don't remember, anyway, Peter Haas suggested Peter Sloss. Peter may have even been off the board, because we sometimes would consult with former board members from time to time, at any rate. And that does raise a question--There are a number of Jewish members on the board, and they've always been outstanding individuals... We have also had Catholics, Protestants, educators, all kinds of people there; I think that that's part of the diversity, as well as having Hispanics, blacks, women. We have been getting away from just men on the board, too. In the early days, I suppose that was all right; but I guess I'm sort of a balanced kind of person.

Morris: I understand that Herman Gallegos was given to commenting that there should be diversity not only on the Rosenberg board but on the boards of grantee organizations.

Luttgens: Well, that was something that we all agreed to. So what happened was that we really have a question now on the form for each applicant that Kirke reports to us, in which it says, "The

board of this organization is 20 percent minority and 20 percent women, and the staff is--" As far as I know we have never turned down an application for that reason.

It's a piece of information that raises our consciousness and raises their consciousness. And I think it's a good thing to do, and I think given this particular era, that more foundations will be following suit.

We talk to our friends. There are an awful lot of foundations out there that don't think twice about any of these things. Some of them don't want diversity on their boards. Sometimes a consultant will say that a family foundation should have more people than just family in it, and they don't like it. The reaction is that it's their money. They want to use it for the public good, but one of the problems can be that they don't know very many people they would be comfortable with if they brought them on their board.

XIII SPECIALIZED PHILANTHROPIC VENTURES

[Interview 6: September 20, 1988]##

The Soviet Union Tests the Waters in the 1980s

Luttgens: While I was in Moscow this fall, I went to a luncheon for this new International Foundation for the Survival and Development of Humanity. It was very interesting. André Sakharov spoke of his hope that its efforts would lead to fewer soldiers in the world and greater nuclear safety. There was also a woman economist-sociologist named Tatyana Zaslavskaya, who wanted the foundation to fund an international study of bureaucracy.

Morris: She is doing an international study?

Luttgens: She wants to. Neither she nor Sakharov understand the democratic system, of course. Nobody does in Russia. I said to her, "What are you going to do as Gorbachev cuts out all of these jobs, which he's trying to do. There's no place for people to go, and everybody's been guaranteed a job in the Soviet Union." And she said, "Well, we're working on that, we're planning." But you see, there's no private sector to pick up those unemployed.

Morris: Back in the czarist days, didn't the nobility fund churches and hospitals and that kind of organization?

Luttgens: I don't know. It's all government now, except for the new entrepreneurs. There are some new entrepreneurs. They're running co-op restaurants, and as she said they're just on the border of illegal, because they don't fit the regulations. And they don't understand. Both Sakharov and Tatyana brought their ideas to the foundation for funding, but the foundation doesn't have enough money yet. It has a big grant from MacArthur Foundation, and Armand Hammer put some money into it, started

it. But anyway, it's a whole different kind of thing for them. Let's see now, I was trying to figure out--

Morris: Did they have any questions about the kinds of things that the people from San Francisco had to say about how philanthropy works in this country?

Luttgens: Yes. I think they were looking at major, major problems, and they don't have enough money with this international foundation yet to really attack such massive efforts. For example, I leaned over and through the interpreter I said to Sakharov, would he tell us what some of his ideas were that he had brought to the foundation? And he said, yes, he would be happy to but he wanted to wait until he could tell everybody at the appropriate moment. And he talked for about twenty minutes or so. But he started out with how to reduce the numbers of people in the army, internationally, and how to make nuclear plants safe. He's a physicist. He believes in nuclear power. He thinks there has to be a balance, and I said to him, "I'm glad to hear you say that, because I think we have to have some nuclear power, too, but it must be safe." And Vergeni Velikhov, who is another physicist and board member, Gorbachev's top science and arms control adviser, who was really the most articulate, said the same thing. So they were all saying, "We have to have nuclear power, but we want to make sure it's safe. And of course, so do I, and that struck them. They're interested in the environment and all that sort of thing."

Now, where did I put my notes? Okay, Rosenberg Foundation. Where did we leave off?

Response to Government Funding Cuts: Proposition 13 (1978) and After

Morris: We had gotten about to the point where I wanted to ask you about the impact of the 1978 Proposition 13, and whether the Rosenberg board had done any advance thinking about what it might mean or what kinds of response the foundation might be able to make, if it passed.

Luttgens: Well, we were part of that group of the Northern California Grantmakers that studied the implications of Prop. 13.

Morris: Did that group begin before the proposition was passed in June?

Luttgens: I believe it did. We hired Judy Pope, who was with the Zellerbach Family Fund at that time and then went on to be an assistant director of the United Way of California. She does program kinds of things and has now left there as well to do consulting. But she did a lot of the legwork to find out what the implications were going to be, and that was quite a massive document, which she probably had a lot to do with, that we developed. That was carried back, in part, to each of the foundations that participated. Hewlett was part of it, Zellerbach, Gerbode. I've forgotten who all, they're all listed in the front of the report. But we met quite intensively around that, and I believe we did start before. And I mentioned that in that paper that I gave you, too.*

Morris: Right. Well, you seem to have done quite a lot of speaking. I found copies of several speeches in your papers that you had made on that subject, then you published an article.

Luttgens: That came about because the Foundation Center asked me if I would come to New York and speak about Proposition 13 and its implications. And I had raised the question at the Council on Foundation's board meeting that it was something that foundations generally should be looking at across the country. And I was told by the other foundation people that, oh, that was just a California phenomenon. It would have no relevance to what was going on in the rest of the country. I said I didn't believe that was true, that I thought so many things started in California, and that it would be replicated in other states. And of course, that was what happened.

But the Foundation Center put on a session. Now I've forgotten exactly when it was. It preceded the paper. What happened was that Maggie Mahoney, I don't know whether she'd gone to the Commonwealth Fund at that point to be president, or whether she was still with the Johnson Foundation with Dave Rogers. But she was there, and she called Virginia White, who's the editor at *Grants Magazine*, and said, "You should ask Leslie Luttgens if she would do a paper that would follow her talk." And so that's why I did the paper, for Virginia.

And then Gordon Hough, who then was chairman of Pacific Telephone, had seen the paper and thought it was a good paper and distributed it to a lot of corporations statewide over his signature, which was very nice. I don't know how far it went, but he asked for a lot of copies. And people in a number of

*Leslie L. Luttgens, "Proposition 13: The Implications for Philanthropy," *Grants Magazine*, March 1979, p. 23.

places asked for copies, and as a result, I was asked to speak in several places. I wasn't the authority. I just had the experience and happened to be in the position.

Morris: At that time, was it discussed in terms of the larger question of whether there would, overall, be a limitation in public funding for social programs?

Luttgens: Yes, that was the larger picture that we were seeing. And then there was the follow-up proposition, which you would remember, that I have forgotten.

Morris: There was the Paul Gann limitation on government spending.

Luttgens: That's right. Okay, that was the Prop. 9 in 1979. And that [NCG] group was resuscitated, and another study was done there. And all of that really preceded what Lester Salamon did, of course, then, with the Urban Institute.* They hired Paul Harder to do the local work on that one. Judy may still have been at Zellerbach, I don't know.

Morris: What kind of changes did the Rosenberg Foundation make in its grants policies in the face of--

Luttgens: Well, we discussed--and it was a question nationally, really: Should foundations move from a risk-capital seed program, starting new efforts, or should they pick up on some of the massive federal deficit in programs that were being cut. The feeling, generally, across the country and locally was that foundations needed to be aware of what was going on in the cutbacks so that whatever granting they did was against that backdrop, but there was no way that foundation money could pick up what was obviously going to be cut back. But I think there was a change in focus. There was no question about that. I did a message in the San Francisco Foundation bulletin that Martin asked me to do about that time, in which I used the expression, "It really is a whole new ballgame," of how we look at foundations not as a substitute for government money but against that backdrop.

Morris: In the actuality of three, four, five, and now ten years later, did you see any noticeable change in the kinds of requests that were coming in in applications as a result of the various limitations on public spending?

*San Francisco Bay Area Nonprofit Organizations: The Challenge of Retrenchment, Washington, D.C.: The Urban Institute, 1987.

Luttgens: We began to get requests for programs that had been--as long as they fit in our guidelines, which were children and families--we began to get requests for programs that had been funded by government. And of course that, as you well know, is something that foundations don't like to do. They don't like to pick up on government programs when the government walks away from funding. So that was part of the discussion. Do we do that or do we not? And, as I recall, we were quite clear on not picking up on government programs.

Origins of the Emergency Fund, 1973

Morris: How long did it take before the various state bailout funds ceased to carry some of the programs that they had carried?

Luttgens: Seems to me it was a year or so. And remember that we had our foundations Emergency Fund at the same time, which was moving along simultaneously. And that was where we saw a lot of stress, as far as programs were concerned that had contracted with the government when government was trying to shift that responsibility someplace else.

Morris: The Emergency Fund, if I'm right, had been set up several years before.

Luttgens: Yes, it had.

Morris: What was it that was going on, it must have been about 1974, or '73, that it was set up?

Luttgens: I was president of United Way in '73 and '74, and that's when it was set up. Because I think I may have mentioned this in an earlier interview, Ed Nathan and John May called me and said United Way has a big program in child care. That's how it started. Cap Weinberger was secretary of HEW. They were rewriting the regulations to qualify for child care organizations. We had just done an outreach, United Way, where we had brought in thirty-one child care agencies with 25 percent amount of money and a 75 percent federal match. That's how the Emergency Committee started. And many of those child care agencies had been started and funded by the San Francisco Foundation and the Zellerbach Family Fund. The thesis was, with United Way's investment and the investment of foundations, would it be useful to keep those agencies going until the government decided how they were going to rewrite the child care regulations. If they rewrote them so those agencies would not qualify, we would all have to bow out, because there was no way we could fund them in total.

Morris: Pick up that three-quarters.

Luttgens: That's correct. But there was \$500,000, I think it was \$531,000 that United Way had committed to those agencies that year, and so that was up front as money that was going to the agencies that wouldn't be going to them any longer if the regulations were rewritten. They were not rewritten, the agencies still qualified over that period, but in the meantime we began to look at other kinds of crises like mental health and some of the other programs that were seen as shifting funding arrangements from government. And that was the genesis of the Emergency Fund, and gradually it shook down. It was both grants and loans originally. It's now developed into funding more loans, rather than grants, so that it's a pool of money that's constantly recycled.

Morris: And the way that works is that the foundations who choose to participate put in so much money but the actual checks are written by Northern California Grantmakers?

Luttgens: Yes. Originally, it was United Way. And the United Way staff worked with us. It was Steve Brooks who staffed the committee for United Way. We used the budget panel chairman -- the relevant budget panel chairman. If it was the child care budget panel, he or she would sit in with us, when we were making decisions, to add another dimension as to the crisis -- how serious was it? It was another resource that the community was providing for social agencies. Again we pioneered. I can remember Melinda Marble wanting to make a presentation at the Council on Foundation's annual meeting about the need for emergency funds across the country, and again people in other regions said, "Oh, well we don't need that," or "We have something like that already," but very few of them were as sophisticated as ours was.

Wells Fargo, the bank, played a lead role, because they came in with a fund that would be available for low-interest loans for agencies of this sort. The committee did the screening, and if the committee, the Emergency Committee, with a representative from Wells Fargo sitting there, felt that it was a project that Wells could comfortably fund, that perhaps was larger than what we normally could do or qualified for a loan, we would recommend it to Wells Fargo. Wells Fargo invariably funded it if we recommended it, and the money would come back to Wells Fargo with this very small interest which the agency would have to pay. And Wells Fargo is still doing that, and is the only bank -- we had thought maybe we could work out a whole network of banks that would help on this. But you see, it saved them a lot of work. They didn't have to investigate the agency.

The agency developed an ongoing relationship with the local Wells Fargo bank in their area, so it was a plus for the bank.

Morris: Was it Wells Fargo banks in other areas than just San Francisco and the Bay Area?

Luttgens: There were some programs that were statewide for Wells Fargo, and we stayed out of the statewideness of it, because we felt our funding was only appropriate for Northern California. A similar group started in Southern California, and Wells Fargo participated in that as well.

Morris: When I was doing my time in the PTA and such organizations, I remember that the local Wells Fargo used to carry the accounts of non-profit organizations like PTA without cost. Is that something about Wells Fargo?

Luttgens: I don't know whether that's still true or not. I just was very impressed with the fact that they would step up with this kind of facility for loans for nonprofits at very low interest.

Morris: Anybody in particular at Wells Fargo?

Luttgens: Well, Elisa Boone was the person who worked on it. She's not the director of the Wells Fargo Foundation, but she's the top person after Ron Eadie, who is an executive vice-president of Wells Fargo who oversees the whole foundation area. But she's the visible person. She has other people in her department as well.

Morris: Did any of the Rosenberg trustees or any other foundation trustees have any concerns about what putting money into an emergency fund over which the foundation, in effect, didn't really have all that much control -- whether that might have an effect on the foundation's overall granting program?

Luttgens: No, but it was a departure for all the foundations that were involved, to put some money into a pool that they would not have jurisdiction over. Fortunately, Kirke Wilson worked with the Emergency Fund and was chair of the Emergency Fund committee at one point, so he had a close relationship. I was involved from the beginning. The money was made available when it was needed. In other words, as long as it was being recycled and coming back in and there wasn't a need for it, we didn't put in any additional money.

I think it was \$10,000 at a time that we put in, which isn't a lot of money. It was based on the foundation's assets, as I recall, or granting, probably the granting. So that San

Francisco Foundation would put in more than the Rosenberg Foundation. Purely voluntary.

Morris: Like 10 percent, or 5 percent?

Luttgens: I don't remember the exact amount.

Morris: But the same percentage for each participating foundation?

Luttgens: That's correct. And we had some Peninsula foundations involved, originally. The Hancock Foundation was involved. That Emergency Fund committee has become a wonderful learning experience for young foundation officers.

One of the reasons that I got off it a few years ago-- about four years ago, or five, I went off--was that I was so familiar with it that I found myself pushing decisions, saying, "Yes, that's a good program. Let's do it," where some of the young program officers needed to have the experience of talking about the program, learning about the requests that were made, and I began to feel that my service on the committee was counterproductive, because I was jumping ahead, and they were hearing me say, "Yes, we ought to do that," and saying, "Fine, let's do it," without really going through that exploratory period. So I got off of the committee, and as I said, it's been going now since about '74, so that's fourteen years.

Morris: Has it leveled out at an optimum quantity of funding--both requests and funding?

Luttgens: I think so. I really haven't studied their annual reports recently. The interesting thing was it moved from United Way, which had been the shelter organization, the fiscal agent. It moved from United Way to a separate committee that was funded from all of the foundations.

Growth of Northern California Grantmakers

Luttgens: Then when Northern California Grantmakers became the umbrella organization, which was a period of development for them, they brought in the Emergency Fund, the Arts Loan Fund, which was a separate fund that was doing the same thing in the field of the arts, and brought them all in under the shelter of Northern California Grantmakers, and hired staff separately so that there was a separate program person for the Emergency Fund, and so on.

Morris: Why did that evolution take place?

Luttgens: Partly because it was a peripheral program for United Way, and there also was a concern about the United Way board wanting to play a closer role. They didn't understand that it was foundation money. There was a need for a direct relationship for the foundations to keep that separate from United Way.

Until last year, United Way provided in-kind services; I guess until about two years ago. They did all the mailing for us. They did a lot of clerical work, for which they did not pay dues to the Northern California Grantmakers, but because it was in-kind, you could look at an in-kind number that qualified them for membership. As of this year, all of those activities--the accounting activities, the audit activities, and all of those things--have been brought in-house by Northern California Grantmakers. And for the first time next year, United Way will pay dues to belong to the Northern California Grantmakers as opposed to in-kind services. That evolution was interesting.

I would have to review my thinking on the merger of the Northern California Grantmakers because that was a period where program and educational activities were being taken care of by the Northern California Grantmakers. The Emergency Fund was a free-standing committee, with its own staff, its own books, and so forth. I was on the committee that negotiated the merger of those, and that was a ticklish merger. Martin Paley, as I recall, was involved, and there were a number of grantmakers that you would know. I'd have to look back to see who was on it and how long ago it was.

It's my impression that it's about six years ago that that happened. But it was not easy. Because each of the groups wanted to keep their autonomy. They were very concerned that a bureaucracy would develop and that there had to be equal decisionmaking powers for the Emergency Fund as well as Northern California Grantmakers. So finally working out one structure for the two was a real achievement.

Morris: How was that done?

Luttgens: It was negotiated. By committee.

Morris: What were the final points on it?

Luttgens: Well, it started out with sort of a two-pronged monster. Part being education, part being Emergency Fund. And finally, people became more comfortable with the two organizations working--I mean, we were the same people, we were both serving on both--

and eventually it just seemed to make more sense to have it be one group with one board and equal time for all of those activities.

Morris: Has it continued to cause some internal problems for NCG?

Luttgens: It's been very, very successful. Very successful. Steve Lieberman was the first person we hired. He was chairing the Emergency Fund, and I was on the committee to make the decision about who we should hire for the head of Northern California Grantmakers, what the relationship of that person would be with the Emergency Fund, and we ended up with Steve Lieberman heading the whole thing.

Morris: As the first full-time executive for NCG?

Luttgens: Yes. We had an interim executive--somebody who filled in because she'd been involved with the Northern California Grantmakers on an interim basis, but we did make the decision to go with one person, who was Steve, so he stepped up from the Emergency Fund to oversee all of the whole program and, I think, was very good during the period he was there. Caroline Tower, as you know, is now the director.

Morris: Right, and she was Steve's assistant director.

Luttgens: Steve brought her in. Before that, she'd been head of the Foundation Center library here in San Francisco.

Morris: Did the choice of Mr. Lieberman reflect the fact that the Emergency Fund would be a large part of the administration of NCG?

Luttgens: Well, that was part of it. We were looking for somebody who was an administrator, there's no question about it; somebody who could manage a large organization, and Steve was a known quantity, because we'd seen him on the other assignment. So it worked out very well, I think, for the first few years, and now we're at a period where Caroline is just giving immense leadership.

We really are now at the point in the Northern California Grantmakers that is similar to an activity that I observed with the Council on Foundations, where a group of foundations within the umbrella group has a special interest: AIDS, homelessness, arts, whatever, and wants to get together and talk about it. The problem is that all of those activities take housekeeping, take staff, and we're now at the point in NCG where we really are thinking about how much can Northern California Grantmakers

do. We have a brand-new task force on AIDS, a brand-new task force on homelessness. They both have hired people to do some background work for them, which means that they have to raise money within their group for that.

Again, it's voluntary--those foundations that are interested in those subjects. But you begin to get a --not a monster, exactly--but something for which you have to have ground rules. And we've been talking about that this year and making sure that we don't develop an organization which then becomes a screening group for all proposals in that given field, which is one of the things we do not want to happen. That, we feel, would be counterproductive.

Morris: That it might be, at some point, that foundations would not make a grant unless something had been screened by one of these task forces?

Luttgens: That's correct. It could be inhibiting to both the freedom of the individual foundations to grant what they want in a general field. Or it could be a signal to the agencies that the only way to get money is to go through a central screening group, and that's not the message we want to send.

I observed that at the Council on Foundations, same thing, where a group of foundations very enthusiastically would decide to talk about international granting, for example. Pretty soon you'd have a group that was meeting regularly that wanted the status of the Council on Foundations to say, "This is one of our committees." And that presents a problem, because that means that you have to enlarge staff and representation. It's the decentralization vs. centralization issue again. Who makes the ground rules: whether it's United Way with county committees or the Council on Foundations with committees dealing in a particular field or the Northern California Grantmakers doing the same thing. One has to think carefully about that structure, I believe.

Morris: United Way still provides some kind of in-kind administrative service, don't they?

Luttgens: To the Northern California Grantmakers? They're finishing that up this year. Joe Valentine is a member of the board of directors. Adele Corvin, who is involved in the foundation but was recently president of the United Way, has been on the board for quite a long time--I think just about five years. The terms are two three-year terms. I think she's probably got a year more to go on her term. So United Way has been a part--you see, that's why the name Northern California Grantmakers. The Junior

Leagues are members of the Northern California Grantmakers. San Francisco, San Jose, and the Palo Alto Junior Leagues are all members.

Morris: Because of the quantity of funding assistance that the Junior Leagues provide?

Luttgens: That's correct. Because they have granting programs that meet the criteria for membership. I'd have to pull out those criteria, even though I chaired the [NCG] membership committee, I'm ashamed to say. We've just revised those rules so that we could bring in some of the newly emerging community foundations who will take a while to be able to raise enough money to make enough grants. For any agency, whether it be a for-profit, that has a foundation or corporate contribution program, there is a qualification that they have to meet as to the amount of money that is spent on grants.

Resource Exchange: CEOs and Young Activists##

Morris: I'm really interested in the kinds of specialized activities that have developed around the foundations world. Another one is--you mentioned Melinda Marble--didn't she come out of the San Francisco Study Center originally?

Luttgens: That's correct. Yes.

Morris: I'm not quite clear how the Study Center fits into the nonprofit picture in the Bay Area.

Luttgens: They were called upon to do some studies by the San Francisco Foundation originally. That was my first connection with them. And Melinda staffed a couple of organizations. As I recall, she staffed the Resource Exchange which, I may have mentioned earlier, was started by John D. Rockefeller III across the country. I don't remember whether we talked about this or not, but it was something that Caroline Charles served on originally. It was made up of several CEO's of corporations and young people from a variety of ethnic backgrounds, and Melinda was one of those young people and did some staffing for that group.

J.D. Rockefeller III envisioned a resource exchange where there could be a direct relationship between CEO's who would offer really concrete and physical equipment to young people for their agencies. San Francisco was the last group to continue across the country; the rest all petered out at one time or

another. When Caroline became quite ill, I was asked to serve in her place; that was sort of an amorphous role of being in between the corporate leadership and the agencies. The young people were not so young anymore. One of them was Claude Everhart, who now is one of Mayor [Arthur] Agnos's deputy mayors. Another was somebody from the Hispanic community. There were a couple from the Asian community. Claude, of course, is black. I think there was another black member.

It evolved into a discussion group, and the dinners that we had every couple of months were paid for by the CEO's in a relatively nice restaurant, where we would have a subject designated to discuss. At one point, the young people felt that we needed to see a different part of San Francisco. Melinda set up a tour of the Tenderloin, for example, where we were toured around the Tenderloin. We saw the Cadillac Hotel and a lot of the hotels that were being redone, at that time, for poor people, because there weren't that many immigrants. Tom Clausen was a member, Dick Cooley when he was at Wells Fargo Bank, Bob DiGiorgio, Brooks Walker, who was very involved with the San Francisco Foundation, of course, at that time. They asked me to invite Reg Murphy. The young people thought he would be useful, and I knew him. He was the publisher of the [San Francisco] *Examiner*.

Morris: And what did he say?

Luttgens: He joined the group. It was a very lively group, with a lot of exchange, back and forth. The group eventually broke up. One of my memories is going to dinner in Chinatown at the home of one of the young men in the group, whose mother put on the dinner for us. We ate in their living room, and course after course of absolutely wonderful food kept appearing. We went up in the elevator at Ping Yuen [housing project] where somebody had been killed the week before, and we had toured Chinatown prior to dinner. It was a warm evening, and I remember walking down the street and seeing Tom Clausen's bodyguard across the street, following and watching us to make sure we were all right.

Morris: Mr. Clausen regularly had a bodyguard?

Luttgens: Yes. Well, certainly on an occasion like that, he did.

Morris: Do bank officials routinely feel the need for bodyguards when they're doing their civic duties?

Luttgens: I don't know. That's the only occasion that I saw. Most of them brought along an assistant, somebody who worked with them,

who could implement anything that was discussed that needed implementation afterwards. It's where I first met Lee Cox, who was working with Gordon Hough, who was the chair of Pacific Telephone.

Lee is now the president of one of the major subsidiaries of Pacific Telesis. He's in charge of the unregulated part that oversees cellular and all of those agencies, but at that time he was Gordon's administrative assistant. It's a long time ago. He's worked his way throughout the company and now is one of the four top executives at Pacific Telesis. It's where I came to know a number of those people who were serving at that time.

The young people, the Resource Exchange group here, finally broke up because there were some challenges from the young people. They had been very comfortable. They had been there for a long time--four or five years.

Morris: The younger contingent?

Luttgens: Yes. Meeting with many of the same CEOs. Some of them came and went. Dick Cooley went off to Seattle and so forth. And his replacement did not enter in. But the young people were very comfortable with challenging the CEOs. Having invited Reg Murphy to come on, they were very critical of some of his newspaper's positions, which were editorial decisions. And one of them, instead of talking to Reg face to face, wrote him a long, scathing letter, saying that he was taking one stance in the discussions and another in his editorial positions. It was in connection with an election or proposition, I've forgotten what it was. Reg was furious, as were the rest of the CEOs. They felt that the trust relationship was being abused when a letter of that sort went in a very cold, challenging way. And as Reg said, "If you'd called me, I would have been happy to talk to you about it, but you sent me a letter that is not something that I'm going to reply to in writing. We can certainly discuss it."

And there became a feeling of deterioration in the purpose of the group. They then challenged Tom Clausen about something at one of our last dinners, which as I recall was at the Nikko restaurant on Van Ness. And challenged him about some of the things that he was very enthusiastic about, having just come back from a trip. It began to be not a helpful feeling.

And I can remember talking to Melinda, who called me and said, "I think we really need to reassess where we are." I said I thought maybe we needed to take a breather, that it might be a good idea just to let it go. So it just sort of petered out.

It's too bad, because it started out with such high hopes, but I can see why similar programs across the country probably folded as well, without a clear purpose of what they were supposed to do.

Morris: Were there any additions to the younger contingent?

Luttgens: They brought in people from time to time, who were never quite as strong as the original group.

San Francisco Study Center

Morris: Had the Study Center originally been started with the idea from the foundations that there was a need for more skills amongst volunteer managers and leadership?

Luttgens: You know, I really can't tell you what the original purpose of the Study Center was. All I know is that I saw them being called upon to do in-depth studies for a variety of projects they contracted for.

Morris: So it was primarily sort of a freestanding, social science research outfit?

Luttgens: That's my understanding, and staffed by very enthusiastic young people, who did a good job, I believe. Melinda did some of the staff work for the Mayor's Fiscal Advisory Committee, when it was first started. And then they evolved into a different kind of staffing. But originally she did some of the work there. Martin brought her in because some of these things were being funded by the San Francisco Foundation.

Morris: So that's a kind of a logical career path in the nonprofit world?

Luttgens: Yes. And, of course she ended up as program officer at the San Francisco Foundation before she went off to work at Tufts.

Morris: At Tufts?

Luttgens: Yes, she's back at Tufts now. She helped them set up their public policy department where students are working in public policy areas. She's still on the staff there. She has academic status, which is great. She left just before the Buck Estate question went to trial, so she was not involved in any of that, although she thought she might have to come back.

XIV RESPONSE TO SAN FRANCISCO SCHOOL NEEDS, 1975-1985

Riles-Roth Schools Commission

Morris: When did education become a major interest of yours and how did you get involved in the Ed Fund? Was that a matter of Proposition 13 and other public funding questions?

Luttgens: Well, that grew out of the [California Superintendent of Public Instruction Wilson] Riles-[William Matson] Roth School Commission. I had become interested in education first of all with the private schools, Katherine Delmar Burke School, here in San Francisco, where my daughter had gone to school-- and had gone on that board, I think we'd talked about that before. And out of that came a lot more knowledge on my part about what works in education.

Then I was asked to go on the Riles-Roth School Commission, and I said at the time that I didn't think I qualified because my daughter had not gone to public school. They said it didn't make any difference; they were anxious to have sort of a blue-ribbon committee. So I agreed to go on and learned a lot about the public schools very quickly.

One of the main things that we learned was that decisions needed to be made at the school site and that teachers were being excluded from that. So the genesis of the San Francisco Education Fund was that after we had completed our period, which was about two years, of serving on the Riles-Roth School Commission--that was '75 to '77 and I've noted here that I co-chaired the finance committee which was chaired by Jerry Hull of Pacific Telephone, who was also a member of the commission--we discovered that the school department really wasn't projecting what their financial situation was at all.

They didn't have a clue as to how much money they were going to need for the next year to carry out their programs, and that made them very vulnerable to the unions, who would say, "We think you've got a pocket of money sort of squirreled away here somewhere, and so let's raise teachers' salaries." We decided what we had to find out was really what financial shape the schools were in. We were not looking at curriculum; we were looking at the administrative and financial state of the schools. We found they were in pretty poor shape.

Morris: Was it specifically some problems in San Francisco?

Luttgens: Absolutely. It was to look at the San Francisco schools. And Wilson Riles and I have talked about it since, because he sits next to me, or I sit next to him, at the PG&E board meetings. He's a member of that board. Recently he said he was interested in going back and looking at the recommendations that we made. We made a series of about eleven studies on a variety of things for the schools. As a matter of fact, about two years ago, which would have been ten years after we were through in '77, Henry Der raised the question of whether some of us would like to look again and see what had been accomplished since those reports were done. And we talked for a while, Bill Roth and I and Ruth Chance and Yori Wada, several other people--Bernice Brown--all of whom had been involved in that commission.

Morris: Bernice Brown who was at the San Francisco Foundation?

Luttgens: Yes. She went on to the San Francisco Foundation after she had been a member of the Riles-Roth School Commission. She then became staff at the school commission, and from there she went to the San Francisco Foundation as a program officer. But we talked about whether it would be useful to go back and look at what had been accomplished. We decided we really didn't have any auspices to do that.

Morris: Like the superintendent?

Luttgens: That's right. We'd not been asked by [California Superintendent of Schools Bill] Honig. We'd not been asked by [Superintendent of Schools Robert] Alioto. The school board was in a mess, because they were trying to get rid of Alioto, and so we just let the whole thing drop. But it would be useful. There are still some of the same problems there, there's no question about that, but that is how I got involved. Out of that came this sense that decisions at the school site are very important, that teachers play a leading role but need community support, both financial and moral, in what they're trying to do. And yet so much of the school budget is tied up with personnel. It's

something like 80 percent of the budget, and there is no discretion at the school site for things that teachers and principals see are necessary there. So that was a very clear feeling that we came out of that with.

Morris: Is it customary for the state superintendent of schools to intervene in that way in a local school district?

Luttgens: I was not familiar with the fact that it was, but the school district was in a real turmoil, there's no question about it. And he felt strongly about-- Actually, it was instigated by people like Lucille Abrahamson, who was president of the San Francisco school board at that time.

Morris: Would she have gone to Dr. Riles and said, "We need some help"?

Luttgens: She did. Yes, I believe she did.

Morris: Then how come Mr. Roth was chairman of it, rather than Ms. Abrahamson?

Luttgens: We were examining the school board, so there was no way that a school board member could chair or be a member of the group.

Genesis of the San Francisco Education Fund, 1977

Luttgens: Anyway, out of that came the San Francisco Education Fund. And really the genesis of that was that Harold King, a board member at the Cowell Foundation, spoke to me after an Emergency Fund meeting and said, "You were a member of the Riles-Roth School Commission (this was about '77, when we finished with that), and just recently we put about \$300,000 a year into private education, but we wonder if you came across some projects that would be useful for public education." And I said that, if he didn't mind, I'd like to talk to Ruth Chance and see if the two of us could come up with some suggestions for him.

He said he didn't want to have the San Francisco superintendent, Bob Alioto at that point, know what foundation was interested. But he said, "We would like to fund some project in the San Francisco public schools." So Ruth was the liaison with Bob Alioto and talked to his office and said, "Could you come up with three or four ideas? There is a possibility that someone may fund them--but things that are really important to you." They came up with about four projects that they wrote up, and very superficially, because we assumed

that a lot more work was going to be done before any actual funding was received.

Morris: From the superintendent's office?

Luttgens: From the superintendent's office. There was one in particular that we thought was very good. It was at Woodrow Wilson High School, which was a very disadvantaged high school. It was about \$100,000, and it was an upgrading of faculty there, as I recall, and morale, and so forth. We turned all of them, all four of them, over to Hal King and the Cowell Foundation. They did not do any investigation, as far as I can figure out.

They looked at them, they liked the same one we did, and Hal King called me and said, "Would you please tell the superintendent that we'd like to fund this particular project at Woodrow Wilson, and would you call him and tell him that I'd like to talk to him today or tomorrow?" So I called, and Alioto was in the middle of labor negotiations, and oh, Hal also said, "Are you familiar with the Marcus Foster Institute in the East Bay?" And I said, "No, I really am not." He said, "Well, do you think the superintendent would be interested in having something like that in the West Bay?" And I said, "Well, I can certainly alert him to the fact that you're interested in it."

I called Alioto's office. I went through three secretaries, and finally I said, "Just tell him I've got some money for him." I immediately got a call back (we were on very good terms because he had been very supportive of what the commission had done). I told him about it, told him that it was the Cowell Foundation and that Harold King wanted to meet with him today or tomorrow. And Alioto said, "Well, I'm in the middle of these negotiations, but boy, I'll certainly make time." And I said, "Also, do you know anything about the Marcus Foster Institute?" He said, "No, I really don't." I said, "Have somebody on your staff investigate it, because I think you will be asked if that's something you want to do, and you want to be able to say yes or no."

So I forgot about all of this. The project went ahead. I had nothing more to do with it. It was very successful, I believe, and about, oh, maybe eight months later, somebody called me and said would I meet with a group of people who were talking about something as far as the schools were concerned. And in that group were Yori Wada, Adele Corvin, Ruth Chance, Gladys Thacher,* who'd been doing a project for the schools in

*"Gladys" is what her friends call Gladys [Mrs. James] Thacher.

counseling, and I think that was about it. Lucille Abrahamson was off the board, I believe, at that point. Maybe she was still on. The project was, should we start an educational foundation similar to the Marcus Foster Institute that would raise money and designate money for particular projects in the San Francisco schools. The Cowell Foundation was interested in funding it.

We explored--well, how will the school board feel about that, won't that be taking some decisionmaking away from them, won't that be resented? Alioto asked us to include a man named Dr. Allen Calvin in our little planning group which met at United Way, as I recall, because of Adele's involvement. She made space available there, and we must have met five or six times. Alioto was very supportive of Calvin, who had been dean of the School of Education at USF and had also been very involved in the New York City school situation.

Luttgens: So Allen Calvin joined our little planning group, and he had much impatience with planning groups. He felt very strongly that if a group like this were started, sure, he'd be happy to be part of it. He was not an organization person. He was a person of ideas, but he had set up a corporate-support group at the University of San Francisco when he was dean of education there. As we moved on into this, he felt very strongly that all the funding should go to sites, that teachers should have the decision. And he wasn't going to be involved in this if we didn't do it that way. We said we were enthusiastic about it, too, but we had this group that was meeting, and we had to do some planning. Bill Roth was involved in this, as well.

Fundraising Successes

Luttgens: The next thing that happened was that Cowell was about to give us \$48,000 for staff to get us off the ground, so we had to become an instant board. We started out with the people we already had that had been planning. The school board said, "Fine, go ahead," Alioto was very enthusiastic. Alioto really gave up some of his power to this group. He said, "If you come up with some projects, I'll see that they get through the board." They had to be approved by the school board. But he said, "Anything we can raise in the way of money that will help the schools, I'm for." So he was extremely supportive of what we were doing.

I chaired the first meeting of this group, and I ended up being the president, and so for seven years, I was either the president or the chairman. I was really pulled, kicking and screaming, into it, because I didn't feel that it was my highest priority. But I must say I became fascinated with what we were able to do. It was very good for me. I ended up with an honorary degree from the University of San Francisco as a result of that, because Allen Calvin nominated me for it; but Allen was a problem for us, because he really didn't want to hold still. He kept saying, over and over again, "I'm not going to play with you. I'm not going to be part of your group unless all of the projects start at the school site. That's what has to be done."

Morris: Was this what he was pushing in the School of Education at USF?

Luttgens: I don't know what he was pushing there, but I think he learned it in the New York schools. That unless you support teachers and give them status, anything that is brought down from above isn't going to fly. There's a lot of tension between the administrative staff and teachers, and the teachers are the ones that need to be empowered. I believe that's very true.

Morris: That was kind of the way educational problems were stated ten years ago.

Luttgens: That's correct. Anyway, I finally said to Allen, would he have lunch with me after one of these stormy sessions where he was saying, "I'm not going to be part of it." So we went over to lunch, and I said, "Listen, Allen, we have a very fragile situation. We are trying to put together a board, we're trying to set up guidelines, we're trying to get going, and if you keep rocking the boat like this, we aren't going to have any organization at all."

So he said, "Okay." I said, "You know we're going to do what you're suggesting. It's just taking us time to get there. Everybody's got to put their two cents worth in. They've all got to be on board." He said, "Okay, I'll be quiet, as long as you're doing that." And he was a terrific board member.

He then said, "I'm going to raise a million dollars for this organization." He started going around to his contacts from USF. He'd call them up and ask them to put \$50,000 from their corporation into this new program. He would have a board member go with him, and he was very polite. But there was no monkey business about it. This is what he was asking for. Well, we were lucky if we got \$5,000 or \$10,000, but at least we were getting some money. I went on a number of these sessions with him.

Morris: He took on the fundraising for the group? Very noble.

Luttgens: That's correct. It was. He was very persuasive, I mean, there were no two ways about it. This was an important organization. It was going to make a lot of difference, and you had to believe him when you listened to him. He was really marvelous.

The thing that really got us going was that Bill Roth, who tried to be anonymous, but we all knew what was going on, made us a gift of about \$3,000 in a particular area of interest for him and asked that we match it. Can't remember whether it was two-to-one or three-to-one, to get us off the ground. I think we would have spent another six months during this planning period if Bill hadn't seen that it was important to move us along. That's typical of Bill Roth. He did the same thing on the Riles-Roth School Commission, where he was always anticipating the next step and bringing the group along into it, not letting us just plod or drift along.

Morris: Could you recall an instance of that, maybe?

Luttgens: With the Riles-Roth School Commission?

Morris: Right. That's a useful observation.

Luttgens: Well, one of the things that he felt very strongly about, we stayed in business six months longer than we should have. We should have been through in about a year and a half, eighteen months as I recall. But the school board elections were coming up, and it was terribly important that the issues that we had discovered be addressed by both the incumbents and those who were challenging the incumbents. So we stayed in business for an extra six months, all the time raising the questions that we had found were essential to improving the schools. And I think it made an enormous amount of difference. They ended up with a very good school board, during that election. I think because there was credibility in the commission and the commission was suggesting that these were issues that needed to be addressed, it worked.

Morris: And it was Bill Roth who requested that the commission remain?

Luttgens: Yes, and we had to raise the money to keep going for an extra six months, as well. But that was the kind of thing. When we found out something, we needed to move to the next step, and Bill was always anticipating, for example, the financials. He asked Gwin Follis, who was a member of the Riles-Roth School Commission, if Gwin would ask a number of corporate leaders to give us some pro bono time from their corporations to give some

legitimacy to the financials that were being worked on within the school department.

Morris: To help with some of the actual analysis of the budget problems?

Luttgens: Exactly. So that by the time the next budget was developed by the superintendent of schools, by Alioto, there had been some corporate people that had been sitting in the office of Anton Jungherr, who was the man that Alioto had brought out from Yonkers, who was a very reputable person, and his system. And had been looking over their shoulders to make sure that everything they were doing was accurate. So that when the budget was presented, they couldn't say, "Yes, it's correct," down to the last dollar; but they could say the process was what should have gone through. If there's a one percent error, that's not very serious. But it's the process that's appropriate. That was what made an enormous amount of difference. Because there was no money there, the unions couldn't say, "You've got money squirreled away," as I mentioned earlier, because the process had been appropriate. It was that kind of credibility that was brought into the schools.

Morris: Did the process, I assume from what you're saying, indicate that there were no slush funds that could be tapped for teacher salaries?

Luttgens: Yes, there had been in the past. There had been one particular officer who was moved someplace else. He was civil service. He was moved elsewhere. But it was quite clear that he was playing quite a game and hiding away some little bits of things, well, fairly legally, but not openly. So that that money could then be brought out for a particular project. So everything was now out on the table.

Seeking Grant Balance: Evaluation and Brokering##

Luttgens: Lyle Eichert, one of Alioto's chief people, had what was almost a nervous breakdown during the earlier process because the whole school administration was under such strain, as far as the public was concerned. They had no credibility at all. So having the Riles-Roth School Commission, which could bring some resources to bear to show that things were being done correctly, was terribly important.

So, where were we? Oh, San Francisco Education Fund and Bill's really directing us. Then, into some actual granting,

which we then had to do. So we had our initial requests for proposals and at first the teachers were a little loath to make requests. I mean, they really didn't understand whether somebody was really going to give them some money or not. And of course, once we did fund a couple of projects, then what we set out to do was to be balanced about it, so that it wasn't one bright teacher in one school who was getting grant after grant. We actually put on workshops.

By this time we had hired Gladys Thatcher as our executive director. We did not make a search. Gladys had been involved from the beginning. She turned out to be an absolutely superb executive. Not only did she know the schools and know where to go and who to talk to, she turned out to be a fanatic fundraiser. Every party that she went to, and she went to a lot, she would raise the subject of the San Francisco Education Fund. She would get people enthusiastic. She would invite them to come in and help, and then we set up an allocations committee.

All of us were recruiting board members, so that we had a balanced board. I spoke to Phoebe Galgiani, who turned out to be a president later on and was very enthusiastic, who started out in the allocations committee. We brought on a number of people who were extremely helpful. Dick Rosenberg, who then was a vice-chair of Wells Fargo, joined us and was just a joy. He moved south with Wells Fargo. He was vice chair of Wells Fargo when he joined. He went to live in Southern California to be in charge of their operations there. He came back to Crocker Bank in San Francisco. He came on our Rosenberg Foundation board. He then left Crocker and went to SeaFirst, and now he is back in San Francisco as vice chairman of BankAmerica. But he was an absolutely marvelous board member, who chaired our finance committee. That's where I first got to know him and thought he'd be good for the Rosenberg Foundation. He was marvelous with the Rosenberg Foundation.

Morris: I wondered where he came from. It really sounds like a fascinating endeavor you put together, with the group. Is the model for the Ed Fund more similar to United Way or to a foundation in the way it operates?

Luttgens: Well, it is a public foundation, as you know. It has to raise money, and Ed Nathan was extremely helpful to us in the beginning. Ed was a member of that group that met and talked, and a member of the first board, as a matter of fact. He ran a number of his grants to the schools through the San Francisco Education Fund, so we were his fiscal agent, which gave us more

funding status, and he still continues to run some of his education projects through it. [interruption from doorbell]

Morris: We were talking about Ed Nathan using the Ed Fund as a funding agent. This would be applications that came to him that the Zellerbach Family Foundation decided to fund?

Luttgens: That's correct. There was one on Talespinners, or something. Isn't it a storytelling program?

Morris: Absolutely. I have a friend who is a Talespinner.

Luttgens: There were a number of things like that that went through to the schools, and Ed used the San Francisco Education Fund, which gave us some legitimacy to start out with.

Morris: It would give him some accountability, too. It would be a closer focus.

Luttgens: That's correct. And that's been one of the hallmarks of the Ed Fund all along, that evaluation was built in, which is a very tricky business. I think the Ed Fund has done a good job about all of these projects, so that really what we evolved into was in many ways a brokering organization.

If, for example, Wells Fargo wanted to do a program in schools, didn't know what to do, we could match among our projects something they were interested in. We could evaluate it and let them know. So that in a way, as an intermediary, we played the role of finding projects, of brokering projects, of evaluating the results which meant that the Wells Fargo staff didn't have to do it. I use them as an example, just because they come to mind. Ron Eadie has been very supportive of the Ed Fund from the beginning.

That role of intermediaries is something that interests me in the whole nonprofit world, because I see intermediaries, if they are well done, as playing a significant role, rather than the funding organizations having to hire large numbers of staff. If the intermediary is good, a very small amount goes into paying for the overhead. It's maybe 10 percent, and for that, you get good staffing.

Morris: What does it do to the timeline for a superintendent or a principal if he or she has to go through a separate, freestanding organization rather than just going out on their own?

Luttgens: Well, it's interesting, because [Ray] Cortines is very much a hands-on kind of superintendent, and he wants to have his direct relationship with foundations, and that has been something that we've talked about quite a bit. He sees the value of the Ed Fund, just as he sees the value of the San Francisco School Volunteers. Did you notice the big article yesterday? He wanted an Adopt-a-School program. Let me try to answer your question first of all, but then introduce something else that has a relationship to this. He does not want to give up his own relationship with foundations, but he wants to bring in as much money as anybody else can do.



1977 American Institute of Public Service Jefferson Award honorees in San Francisco, with Mayor George Moscone in dark suit. From left: Rev. Howard Thurman, Ruth Asawa Lanier, Mrs. Luttgens, Fr. Alfred Boedecker, Ruth Resnick, and Cyril Magnin.

Photograph by San Francisco Examiner

XV BUSINESS INTEREST IN COMMUNITY PROJECTS

Committee for Economic Development School Support

Luttgens: I'm going to step back now a little bit. I think that hiring Cortines was one of the best things the school board ever did. I think he's absolutely superb. He's just right for this particular time, and he's doing a terrific job. There was a meeting in San Francisco, and I'll have to think back. It must be almost two and a half years ago, put on by the Committee for Economic Development, the national organization, called, "Investing in our Children." The CED is a national group that's made up of business people, it was discussing the relationships of what business could do for the schools. It's a very good report, and there was a regional meeting here in San Francisco. Gladys and I were both involved in the planning of this regional meeting, and I think there were six regional meetings across the country.

Morris: I see they agreed with you on the "Bottom Up Strategy." Page seven--there's a headline.

Luttgens: Yes. The meeting here was co-chaired by George Keller of Chevron and Ruthmary Cordon, a teacher here. It was to be a dialogue between business people and teachers. Fortunately, there was some sort of a school board meeting in Washington, D.C., so most school board members were away. It was really teachers. What we heard in the dialogue between teachers and business people was about the deplorable conditions in the schools--physical deterioration of schools--and the need for more help, just cleaning up, repairing windows, providing a stable environment.

It was quite a moving day, as I recall, and Dr. Michael Kirst of Stanford was to do the closing remarks. Ruthmary, who

was representing the teachers, said that the teachers did not want somebody from Stanford University coming in and telling them what to do at the end of this day. They wanted somebody from the community, so they asked me if I'd do the closing remarks, which I did. I was very fortunate, because I had Tom Chmura from Stanford Research International sitting with me all day. I asked him if he'd do that, because he's their educational specialist. So he took notes, because I said, "I'm going to be so busy. I'm going to take notes, too, but I need somebody that will take the time to organize them. So if you can give me an outline of some key points, then I can talk from that, but I'm not going to have time to do that." So Tom did, and he was marvelous. He ended up with certain key points.

Business Leaders Task Force; Jobs Compact

Luttgens: At that time, I was doing the Business Leadership Task Force, which is where Tom and I had been working together. Education had been something that we were interested in, so it was an appropriate use of his time, and I pledged that we would have a continuing dialogue after the meeting on the subject with the Business Leadership Task Force. We did have, and we called it the--

Morris: "We" the Ed Fund and the teachers?

Luttgens: Well, we met at the Ed Fund, and Gladys was a part of it, but it was broader than that. We had somebody from the BankAmerica Foundation. We had somebody from McKesson Foundation. We had Ted Lobman from the Stuart Foundations. We had a representative from the schools, who started out being Tom Sammon, because it was before Cortines had been hired. We had Ruthmary from the schools. We had Sandra Treacy from the School Volunteers and from the corporate action group, which at that point was freestanding, but the Ed Fund had started it. It is now part of the San Francisco School Volunteers. Lynn Ishihara, who else did we have? Ron Eadie from Wells.

We called ourselves the CED Follow-On Committee, and what we did was to talk about the needs of the schools and how foundations and business could be of help, and we were helpful to the superintendent when he arrived, because what we had for him was a matrix of the problems, as we saw them, across the top, and the resource agencies down the side. It wasn't totally complete, a beginning only. It was from our pooled knowledge, but we could go in to him and we could say, "This is what we

see. You may have other problems that you want to address. There may be other organizations that we don't know, but this is a beginning for you to be able to work with."

Morris: With the background of ten years of information in content.

Luttgens: And we said to him, "We want you to tell us what your first priorities are." And of course I brought up the idea of a Boston Compact because I thought we could do a San Francisco Compact that would be useful for the San Francisco schools. He was not much interested in that, in particular. Ron Eadie and I had a meeting with him, just the three of us, before he really took over and was beginning to spend some time here. He said, "Well, I know about it. It's farther down the line for me." He liked the idea of Adopt-a-School; he liked a couple of other things.

We continued to meet, and he very clearly wanted to be in control. Gladys was planning a conference between the School Volunteers and the Ed Fund and some other people over at Mills College on a Saturday morning, and he just literally called it off. He didn't see any need for it. He didn't want to raise expectations or spend a lot of time spinning wheels. Well, neither did I. I didn't want to have any more meetings than we had to. But I also felt the responsibility to continue.

We also brought in Judy Dellamonica, the head of the teachers' union, because we thought it was important that she be involved. She came to about two meetings, and then we sort of folded tent. I said to the superintendent, "We're not going to continue to meet just to meet, and if you have something that you want us to work on, let us know, and we'll be glad to pull everything back together again." We were also using a lot of Tom Chmura's time, which was expensive, and we really hadn't raised any money to pay for him. Tom Chmura from SRI. So if we were to continue to do this, we needed to raise money, have a clear program, and so forth, and it was just too mushy. So the thing kind of petered out. The superintendent and I continued to talk.

Again, at meetings, the Boston Compact has been raised. Eunice Elton and I had talked about trying to get a Boston Compact started here, and she had gone back to Boston. She had a reason to go back for the Private Industry Council on another subject, and as long as she was in Boston, she went to talk to the people there about the Boston Compact. I had come across the Boston Compact serving in my capacity as a member of the Major Awards Advisory Committee to the Gulf and Western Foundation, which I did for five years. One year was on youth

employment, and I remember it was the very last proposal I read. They were giving half a million a year to two or three agencies that had started a good program that could be either expanded or replicated, and the subject was different each year.

The first year it was gerontology. They had seven hundred and fifty proposals, which they screened down to about thirty-five for us to look at; there were six of us. We met twice a year in the East, once for an interim review, and then once for the final decisionmaking. Most of the work we did, we read at home, we mailed back a screening recommendation, and so forth. Another year it was services for families with chronically ill children. Another year it was parenting, and this youth employment was the subject and the Boston Compact was the very last proposal that year. There were thirty-one proposals, and I read it with interest. I was serving on the Private Industry Council. I had been involved with the CED committee, and so my exposure had been fairly broad in youth employment and what was needed, and I came across this proposal for an expansion of the Boston Compact to community agencies that would train the truly disadvantaged in literacy, as I recall.

And the old electric light went on, and I thought, "Boy, if we just had something like that here," so I asked for reports on it. I mentioned it in my closing remarks at the CED Regional Conference. I guess it was before the CED meeting, because I was interested in it at that point, and there was somebody in the audience from the Edna McConnell Clark Foundation that day, who had done the evaluation of the Boston Compact, and she sent it to me afterwards. That, as you know, is a compact between businesses in Boston and the Boston school system, that business would hire graduates of the Boston educational system if the system would raise the grade-point average and decrease the dropouts. The unions got involved in it, as part of the compact. The universities in the area got involved, to say that they would take a certain number of students in the universities if these conditions were fulfilled. And the genesis was that there had been court orders about segregation in Boston schools, so that they were under fire. There was a labor market, as far as the businesses were concerned. They needed people to fill jobs--

Morris: --that would fill their requirements.

Luttgens: That's right. And they had a dynamic new superintendent who could speak to business on their own terms. He wasn't a fuzzy academic. He was somebody who could see the need for this.

It seemed to us that some of those conditions were operative here. Not the possibility of jobs. That was going to be a real problem. But that we did have a dynamic new superintendent. We did have an enormous need to improve grade-point average and decrease dropouts. We had some interest in the academic community, and I don't know about unions, but anyway, it just seemed to me that there was a possibility there. So I talked about it quite a bit. Interestingly enough, within the last six months, Steve Trippe, who works part-time for New Ways to Work, as well as at the state level, says that there now is a big move, from the state standpoint, to set up compacts across the state.

In the meantime, the superintendent and I have talked very cold turkey about a Boston Compact here, and he doesn't want it. He thinks that it would be much too ambitious to be sustained. He doesn't want to set up anything that can't continue. I have changed my views. I believe that it won't work unless it's something that he's very enthusiastic about, and he has offered instead a project which I have helped him with and have taken to Pacific Telesis. Telesis is taking it to other corporations, where a pact will be entered into by some of the businesses here to underwrite scholarships for minority students, if they will go through teacher training and stay in the school system; so that it starts in high school and goes through the teacher-training period at a thousand dollars a year per student, which has been done successfully in two or three other areas. That's something that the superintendent thinks is doable and will raise morale and will bring in a new crop of minority teachers, and that businesses are enthusiastic about. So that's what they're doing. It's a very modified kind of pact.

Private Industry Council Concerns

Morris: This kind of really fascinating, intricate experience--does that then feed back into your thinking about the Rosenberg Foundation and then your work with the Council on Foundations?

Luttgens: Absolutely. The Rosenberg Foundation funded a project last year that I voted against. I very seldom vote against something, but it was a grass-roots jobs organization that wanted to force the Private Industry Council to monitor job requirements for every construction site in the city. Number one, my experience with the Private Industry Council is they don't have the staff to do that sort of thing, and number two, there are some other moves that are being made to get jobs for people. But this, to my

mind, is counterproductive. It's destructive instead of being constructive.

Morris: To monitor what's going on in the workplace?

Luttgens: To monitor businesses to make sure that they are hiring local people for every job. To my mind, it wasn't appropriate, and I spoke out in the board for my reasons for voting against it. The board did adopt the project and funded it for a second year. I'm not sure how successful it is. The PIC simply doesn't have the staff to do it, so the group is spinning wheels --spending money--trying to accomplish something, which I think could be done in another way.

But yes, it does interrelate with other activities, and I'm in a unique position of being able to see what's going on in the corporate sector, as well as the foundation sector, as well as the nonprofit sector. And it takes a little delicacy, because I don't want to abuse any of those relationships, but I think I've been pretty open about indicating where there seems to be any conflict of interest.

Legislative Mandate for Student Volunteering

Morris: But as you mentioned a few minutes ago, you're also in a position to be an intermediary between them. Are those interactions of interest to the Council on Foundations, and did you speak out on those kinds of questions when you were chairing the committees and presiding over the Council on Foundations?

Luttgens: I don't know. I don't know whether it is of interest or not. It was never discussed. I think, right now, my current thing that I have to try to do something about tomorrow--there's an operation called Operation Civic Serve. Two years ago, John Vasconcellos introduced a bill that would require students receiving their education through the UC Berkeley system or the state college system, that would require them to put in a certain amount of community service work before they could graduate.

My friend, Bob Choate, who started a student volunteer project and spent a lot of time--he's a Harvard graduate and engineer, and so forth--working with student volunteers both in Arizona and then in San Diego, where he brought the schools, the volunteer agencies, and then all of the post-secondary level together. Bob monitored that bill with Vasconcellos and got the

mandation out, because he didn't think that was appropriate. You don't want to mandate that students put in x number of hours. That's not very appropriate, but he does believe in the value of students learning about their communities by volunteering to tutor or anything that they are particularly interested in. And also that schools--the colleges and universities--could have an office where students can go to find out what kinds of volunteer opportunities there are and then be placed and followed.

Stanford has a superb program, because Don Kennedy is very interested in it. Absolutely terrific. It's the Cadillac of public service programs for students. Anyway, Bob moved up here from San Diego and monitored the Vasconcellos bill. Unfortunately, the governor [George Deukmejian]--although he signed it and the mandation was out-- the governor took out the money, which was a small amount of money. I think it was like \$140,000, which would have helped establish those offices at the various schools.

We put on a conference. I was Bob's keynote speaker a year ago, in August, down at Stanford, and the people from Stanford were extremely helpful in talking about their program. We had attendance from all over the state--people from a lot of agencies and foundations. He's raised money from the Hewlett Foundation, from the Ford Foundation. (I happened to be in the East when he went to talk to the Ford Foundation people, who he was familiar with from other things that he'd done.) So they've given him some money. He has an office in San Francisco.

Morris: This is for the Vasconcellos program to happen.

Luttgens: That's right, and it is happening. The problem is that the agencies want control. He believes, and I think he's right, that the students have to have control. It has to be a student-initiated thing on the campuses, working with the nonprofits. And that's where the rub comes. The administration of the universities--some of them are dragging their feet. San Francisco State has a very good program.

Anyway, he has an office down here on Buchanan Street, and he asked me if I would assist him in talking to a CEO here who would be willing to write a letter about the importance of employees having had some sort of community service experience. He did this in Arizona and made up a booklet. The CEOs were just thrilled. They were pleased to do it, because it's a win-win situation. It doesn't require any money on their part. It's a statement of support, so what I'm trying to do is to figure out who the lead CEO might be, and I've got an idea of

who I'm going to approach to see if he would be willing to mount this sort of campaign, to write a letter to other CEOs to ask them if they'd be willing to write a letter endorsing the concept of community service for employees. So I'm wearing several hats. I'm wearing my corporate director's hat, I'm wearing my community hat, and I'm wearing my interest-in-education hat.

Morris: Is this the kind of multipronged, cooperative effort that the Rosenberg Foundation might be interested in at some point, since it's relating to--?

Luttgens: I don't know. I mean, I don't quite see their role. Bob is a friend of Kirke Wilson's. He's known him for a long time, since the time that Bob was involved in the poverty program and Kirke was working at the state level. So they've talked a lot. I don't see a project there for Rosenberg right now. Rosenberg is interested in, certainly, education of young people, but more from the poverty standpoint and multicultural aspect. So I don't quite see it there. I think that the project should be a multiethnic project. It should not be all white yuppie kids.

Morris: I heard [UC Berkeley Chancellor] Mike Heyman the other day saying that, according to a recent study, there is now no majority ethnic group in the California school population; and that he expects that the Berkeley campus will shortly be the same kind of mix, so that any program will be multiethnic because that's what the campus is.

Luttgens: That's right. Well, that's one of the things that Bob Choate has been very interested in, and he's made up a board which has Aileen Hernandez on it for this Operation Civic Serve. It is a statewide organization. He met Mitchell Wilke, who is a California Public Utilities Commissioner, because I took Bob to a dinner that PG&E put on for the community when they lit the lights on the Bay Bridge. We sat at dinner with Mitch Wilke, and Mitch Wilke got so enthusiastic that he joined Bob's board.

So there are a lot of little fringe kinds of things, and Bob is using me, to a certain extent, to introduce him to some of the people that are useful to his program. That's all right, as far as I'm concerned. I think it's a good program. I wouldn't have gone down and spoken for him if I didn't think so. And actually, some time ago, Don Kennedy had a meeting of a few of us. Dianne Feinstein was there, about five other people at the Pacific Union Club about a year ago, and one of the things that he was talking about was this program down at Stanford, so he's very enthusiastic about a public service program for

students. John Gardner, who I quoted extensively in my opening address for the conference that we put on at Stanford--I had just gotten his leadership paper in which he talked about students becoming more and more specialized, because colleges see that they need to know more and more about a small thing, and the problem is we have too many specialists and not enough generalists. Therefore, the specialists don't understand broad systems. The generalists need to see the whole system so they could see how it needs to be changed, but specialists can only see a little piece of the system.

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Luttgens: I flip from one thing to another.

Morris: Large chapter headings.

Luttgens: [laughing] It really is terrible, but everything--You know, I've got so many fingers in so many pies, and they all relate either forward or backward or sideways.

Morris: I think it's fascinating. That's, I think, what we're getting --is how these things do interrelate and how one person can keep all these things moving forward. It's marvelous.

Luttgens: Well, at any rate, that's an example of interrelationships and I will try it out this week on somebody. I've tried it out early this morning. Someone called me from one of the corporations about something, and I tried out this person to see whether he thought it might be appropriate for his CEO to write the key letter, and we discussed it a little bit. And very comfortably, he said he didn't think it was the right time for that CEO. But I said, "I have a thought of somebody else," and he said, "Well, that person might be very good because of his association with the UC system." So I'll try it out on him during the week and see if he thinks it's something he wants to do. He probably will want somebody to investigate it for him on his staff, which is perfectly appropriate, and if that person thinks it's good, then maybe it'll go. We'll see. I don't know.

XVI COUNCIL ON FOUNDATIONS, 1976-1982

Organizational Challenges and Changes

- Morris: Could we take a few minutes and talk a little bit about the Council on Foundations, which was backwards in time a little bit, but from what I've read, it looks like there were some similar delicate matters of organizational negotiation that you were involved in when you were on the executive committee.
- Luttgens: Yes, there certainly were, and I'm just looking to see the years that I was on that. I must have gone on--the terms are six years, so six years from 1982 would have been about 1976 that I went on that board. At that time, their structure was a paid chairman and a paid president, both of whom were getting fairly large salaries, and that structural arrangement had come about because they brought in Bob Goheen to be chairman, to be the outside spokesperson. Bob was the person who went to Congress when something needed to be said. He was the person that represented the council outside. David Freeman was the president, and he didn't like the outside part but was very good at the nuts and bolts on the inside. So they ended up with these two people. Then there was a big gap down to the middle-management people, and those salaries were, in most cases, half, or less than half, of what the two top people were getting.

When I came on, the council was still in New York City and was talking about the possibility of moving to Washington, D.C. to be closer to the seat of power. The New York foundations had an absolute fit. We were going to be corrupted. We were going to go to Washington and be lackeys of the government, which is what foundations never stand for. They always stand outside that. I happened to be convinced by what I heard on the board that it was a good idea to move to Washington, D.C., and to be able to speak with legislators before legislation was set, to advise them and be able to give them some information so that it

was more appropriate for foundations. The rest of what they did, they could do in Washington just as easily as in New York. But that was quite a bloody battle.

It was a very interesting situation. I went on the board. I would fly from San Francisco to New York City, stay in a hotel the night before, so that I could be at the meeting at nine o'clock the next morning. The meeting would go till four o'clock in the afternoon. The staff would go back into their offices, the doors would all shut, and everybody would go home. There was absolutely no feeling of anything but a rubber-stamp board that came in to listen to what was being said, approve or disapprove, and go home again.

Morris: No interaction.

Luttgens: Very little interaction, and I found it very sterile. Bob Goheen was offered the presidency of the Edna McConnell Clark Foundation, as I recall. What he really wanted to do was to be ambassador to India, but that came later. So he went off to Edna McConnell Clark. What was going to happen? How were we going to fill that position? So immediately, we were plunged into a search for a new chairman. The volunteer position on the board was the position of chairman of the executive committee, and it had to be held by a trustee. It could not be held by a board member who was a foundation director. So that immediately limited the choices of the number of trustees on the board.

The board had also gone through a very traumatic period before I came on, where they were challenged by the black executives, a group of black foundation executives, that there was not enough minority representation on the board. Therefore, they had created some public board-member slots. One of the people who was very involved in that challenge, which I believe was at the annual conference in Montreal, Canada, was Jim Joseph, who at that point was the executive at the Cummins Engine Company Foundation. Jim was on the board, which is where I first met him, and he challenged everything that went on in the board. The interesting part is that he subsequently became president of the Council on Foundations, but a lot of years and a lot of water under the bridge and a lot of seasoning had gone on in between.

When I came on, it was a board that had public members who were challenging other board members, pretty much rubber-stamp. You had the feeling the staff didn't want you to stick around. I mean, as far as I was concerned, my plane wasn't going to go for another couple of hours, so I'd end up going out and sitting back at the airport thinking, you know, why am I bothering? So

there were several things going on. I was very vocal in speaking for the move to Washington, and I was appointed to the committee that was to work out how that was to be done. My experience always was to do a lot of talking with a lot of people and let everybody get everything out on the table, and that worked fairly well. There were still a few diehards. I remember--well, we don't need to go into it, but there are some people in New York that I leaned over backwards to try to convince.

Morris: Well, New York always has seen itself as a seat of power, too.

Luttgens: Exactly. And that's why they couldn't imagine that we would want to move from New York, even though these were foundations that hadn't played a particularly active role. There also was a lot of ambiguity about the local-regional associations. Council staff was scared to death of them. Although they started out sort of from a grass-roots standpoint, the council was very cautious not to extend too much direction to them--that they were to be representative of the local foundations and not be a creature--I mean, blessed by, but not directed by, the council.

Morris: That would be like NCG?

Luttgens: That's right. So there was that. We had to fill the slot for chairman. And I must say, Ruth Chance was extremely helpful to me, because before my first board meeting, she went over the list of who was on the board. She knew all of them. She'd been on the board herself and had gone off the board to make room for a minority number on the board, actually.

Morris: Isn't that like Ruth.

Luttgens: Yes, exactly like Ruth. She filled me in on each member that she knew--there were two or three she didn't know, but most of them she knew--where they were, where they were coming from, so that I came onto the board, with people I've never seen before, feeling at least I knew something about where they were coming from. Jean Hennessey [director of the Charles Butcher Foundation in New Hampshire] said to somebody shortly after I came on the board, "You watch, she's going to be on the executive committee in another year." Well, sure enough, I was appointed to the executive committee. And again, it was because I did my homework, and I read, and so forth.

Executive Committee Chair: Consolidation of President and Executive

Luttgens: Eventually, I became chairman of the executive committee because, again, it had to be a trustee. I followed somebody from Nebraska--from Lincoln, Nebraska--who wasn't very dynamic. There was a man from Texas, Gilbert Denman, from San Antonio, who was vice chairman, and he really didn't want to be chairman. So we headed into some structural problems--the move, a new chairman. We ended up asking Landrum Bolling, who was a board member and the head of the Eli Lilly Foundation, if he would be chairman, which he took on as his responsibility. I guess I was on the nominating committee, too. So Landrum and I were working together. David Freeman went off. He didn't want to move to Washington. He stayed in New York, so that meant we had to have a president, and the next in line was Eugene Struckhoff who had written a book on community foundations and was absolutely terrific on community foundations, wonderful in the field, staffed the program committee, but a terrible administrator. Landrum was not a good administrator, either, so we ended up with these two people.

Landrum and I talked a lot. He's a Quaker, somebody who was close to the Carters and the [Jimmy] Carter administration, very interested in the Middle East situation, was shuttling back and forth doing a lot of discussions in the Middle East during the hostage thing, trying to be of help. He understood that field--knew it very well. But he and I talked a lot, and finally at the annual conference in Seattle two or three years after that, (I served two three-year terms and then had to go off) I said to him, "You know, Landrum, it really would be so much better if we had one executive and one chairman, who was the volunteer, and it shouldn't have to be a trustee. It should be a director of a foundation if that seems appropriate."

And we tried all kinds of things. Landrum, as I say, was a Quaker and believed in moving when there was consensus, which absolutely drove me up the wall, because we'd be sitting in the meeting, we wouldn't have adequate materials to begin with to know what to do, and we'd have to come to a consensus on what we were going to do next. I tried chairing one of the board meetings, even though I wasn't supposed to. We tried that. It didn't work too well, because I was too directive. So finally, I said, "It just seems to me that we really have to make a change, as far as the structure's concerned." By this time, I had a board that was looking to me for leadership.

Morris: And you had talked with them to express your concerns?

Luttgens: The board was with me. We started having executive committee meetings, which we hadn't had before, which included the staff, but at least it gave a feeling of a closer nucleus of board members. And to make a long story short, Landrum decided to resign, not under duress necessarily, but because he was going to go on and do some other things. He'd also been president of Earlham College. A perfectly lovely man, but just not a good administrator. Somebody who could give wonderful speeches about the foundation world.

Morris: It must have been a very frustrating situation to have two executives, in effect.

Luttgens: Well, it was, and so Landrum was going to resign with the thought that there would then be just a president. Well, Struck really wanted the title. So, we said, "All right. We'll give it some time. We'll let you be the one person in charge."

Morris: And that person will be the chairman.

Luttgens: And that person will be chairman, and I was chairman of the executive committee. I was running the meetings, at this point, and I had my board behind me. I had Russ Mawby, Kellogg Foundation. I had David Rogers of Robert Wood Johnson Foundation. David used to look to me to see which way to go. We'd do the eyes meeting across the table, and I'd try to elucidate some. We had Steve Minter from the Cleveland Foundation. We had really a superb person in Jim Shannon, who then was with General Mills Foundation. We had some battles about whether corporate contributions people should be full members of the council, which Dave Rogers was very opposed to, but we fought 'em all out. We had Ken Albrecht, who at that time was head of contributions for Equitable and was one of the founding members of Independent Sector and now is head of NCIB [National Charitable Information Bureau] after having left Equitable.

We had a very good board. We had some outstanding women on the board. We had Jean Fairfax, a trustee with the Hazen Foundation. Anyway, we had a good board. We had Raoul Izaguirre.

Morris: Did you find some strong minority people to serve?

Luttgens: Yes, we did. We found some good, strong minority people. Jean Fairfax. Very effective, Legal and Educational Defense Fund. She was not an attorney but was a very outspoken person for minorities. I'm looking for the rest of it. Bill Bondurant,

executive director, Mary Reynolds Babcock Foundation; Jane Dustan, Foundation for Child Development, who I made a really wonderful friend. Booth Gardner of the Medina Foundation and now governor of the state of Washington.

Morris: Really? Now that's an unusual career path.

Luttgens: Very interesting. He was a jogger and somebody who has a cousin in Berkeley, Betty Helmholtz. Betty is a cousin of Booth Gardner's, and they have the Medina Foundation and also the Laird Norton [Foundation]. He was a board member of the Puget Sound National Bank, the Weyerhaeuser Company, a trustee of the University of Puget Sound and Washington Mutual Savings Bank. An interesting fellow, very quiet, and very crisp, I would say, when he said anything. We had Patricia Jacobs, who was [reading] American Association of Minority Enterprise Small Business Investment.

We had a very conservative member, Breene Kerr, who was the son of Senator Robert Kerr, who I became a great friend of, because the first night that he came on, nobody was paying any attention to him, and we were all staying at a New York hotel. Homer Wadsworth [Cleveland Foundation] and I were together, and I said, "Homer, let's ask Breene Kerr to have a drink with us." So we sat down and had a drink with him. He was always my pal after that.

We had Ernie Osborne. Ernie became president of the Greater Hartford Process, but he was the former deputy undersecretary of intergovernmental affairs for HEW--black. We had Norman Francis, who was the president of Xavier University in New Orleans--black. We had Julian Samora. Julian was wonderful--professor of sociology at the University of Notre Dame and just a giant in the field of Mexican American relations.

Let's see, who else did we have? Well, we had a lot of traditional types, too. Val [Valleau] Wilkie, who is the executive vice president of Sid Richardson Foundation, who was a former headmaster. Very conservative, who changed his mind after he'd been exposed to some things. Was not nearly as conservative. Obie Benz.

Morris: Who had helped found Vanguard Foundation here in San Francisco?

Luttgens: Obie and Bob Glaser and I were the three members from the Bay Area when I first went on. Bob went off fairly quickly when he completed his term. Obie went off, too. I don't know where Obie is now, but he was really more interested in film.

Morris: The last I heard he was making movies in southern California.

Luttgens: Obie was a true breath of fresh air. I mean, that was one of the attempts--the council had to reach out and get somebody younger. Dottie Johnson, who was head of the Council of Michigan Foundations and is just, again, outstanding. Howard Dressler, who was with Ford Foundation.

It was a good board, but it was the sort of board that didn't really know what it was doing until it began to have to zero in on somebody. First of all, we gave Struck a period of time. His administrative abilities were zilch. His staff was in just a terrible uproar. Charles Rooks, who was senior vice president at that point--I was hearing from Charlie about the problems within.

Charlie was letting me know that things were not going well internally, and we were to have a summer retreat, something which had started about four years before. The feeling was it would be useful for the council board members to come together with a few staff, not very many, at a place that was away from Washington, D.C. and talk about long-range--

Morris: You've moved to Washington by now?

Luttgens: We had moved to Washington. We did that within two years of when I went on the board. We were having a meeting in Colorado Springs at a private club, which a friend of Struck's had arranged for us. It was "Camel something"--there were two camels, something to do with a camel.

I talked to the board members before, and I said, "You know, I just don't know how much longer we can go on. I have the feeling we've really got to make a decision pretty soon. Struck has not demonstrated his ability to be a good administrator, and as I understand it, the staff is in great turmoil." We had the meeting, and Struck left the meeting with a promise of a consulting position with the council.

We appointed a search committee, chaired by Russ Mawby and composed of a broad spectrum; Martin Paley was on it, we hired a search firm. I had no part with the search committee. They operated separately. They ended up with three candidates, one of whom was Jim Joseph. The only place I interfered was that one of the final candidates was somebody who I clearly believed was only using the position as a steppingstone and would not give the council the best.

Morris: He wanted a political position?

Luttgens: Yes. And I simply indicated that that was something I thought that the committee should look at very carefully, and they ended up with Jim Joseph. When I think back on Jim as being the person who challenged the council originally, when I first knew it--he has been a superb chairman, as far as I'm concerned.

There are still some very diehard conservative foundations who do not think he is a proper representative of the Council on Foundations. Here is a man who has been a minister, who has been a foundation executive, who has lectured in theology at Yale, and held a position in theology at one of the southern California universities, and yet the conservatives continue to feel that he is much too liberal.

Neoconservative Views

Morris: Because of his challenges to the board originally or because he's black?

Luttgens: I can't say whether it's because he's black. I think it's because he has some liberal views, personally, on this country. He was an undersecretary, you know, with [Cecil] Andrus of the [Department of the] Interior and so tends to be more liberal, perhaps, than some others. The conservatives, I think, would like to have a superconservative person in that position representing foundations. I happen to think Jim is very appropriate for our time.

Morris: Is that kind of a tension within the Council on Foundations between liberal or forward-looking, innovative and conservative grantmaking?

Luttgens: There has been a very strong movement, I would say, within the last ten years of neoconservatives in the country. Certainly we've seen it in other arenas, and it is true within the foundation world as well. There are some foundations who have dropped out of the Council on Foundations because they feel it's much too liberal and does not represent them. There is a group of neoconservative foundations that have formed their own little group. I can't tell you the name of it. I've seen some of their writings, which are, I think, very dangerous, for this country from the standpoint of being very limited in their viewpoint. I think it's a fact of life. They're there, just as we have very liberal groups, too.

I do not feel uncomfortable about the council taking too liberal a stand. I think they're in tune with the times. I think they have a good board, but every once in a while, Jim, in particular, is challenged by this group. As a matter of fact, Breene Kerr called me after he had gone off the board to tell me about some of these things that were going on and what did I think about them, and I told him I thought they were very wrong.

Morris: Some of the challenges to Jim himself?

Luttgens: To Jim personally and to the council as well. And the council, in some writings, and I'd have to dig them out, has been attacked by some very conservative organizations.

Morris: That's an interesting shift from ten years ago. They were being challenged by young activists who said the council was not taking enough interest in the needs of humanity.

Luttgens: That's right. It's fascinating, because I had been involved since that early time to now, and I continue to be very interested in it. But at any rate, we did have a total change in leadership then, and Charles Rooks held the fort until the search committee had completed its deliberations. Jim came in as president, Russ Mawby became chair, following me, and after Russ, Dave Rogers, and after Dave, Jim Shannon and then Val Wilkie--all people who had served on my board who had been through this. Everybody who was on my board has now left the board, I believe, so there's no need to refresh anybody's memory on that period. It's over, as far as I'm concerned.

Increasing Western Presence

Luttgens: But I think it was an important time for the council, because what I was hearing here--that's when I started attending the Northern California Grantmakers meetings, because as chairman of the council, I wanted to know how the local group was thinking. So I started going and was one of the few trustees who went to the NCG meetings regularly and, of course, went on the board eventually and am now, you know, secretary of the board and chairman of the membership committee.

It's interesting to see what's happening now. We have three very good board members from here who are now on the council board--we have Tom Layton, Gerbode Foundation, Susan Silk, Columbia Foundation, Hugh [Burroughs of Henry J. Kaiser Family Foundation]. So for the first time, there really--well,

not the first time--but they're really recognizing the West. In the early days, it was as if everything was focused on the East, possibly as far west as Chicago. But there's a real effort to have a western perspective, and there are three. Lucile Packard had been a member of the board and vice chairman of the board, actually.

Morris: Of the Council on Foundations.

Luttgens: Yes, and was a strong, good member of the board.

Morris: Is it just California or is there an increasing presence from other western states?

Luttgens: There's a strong presence from Seattle--the head of the Seattle Community Foundation now. Charles Rooks now heads up the Fred Meyer Charitable Trust in Portland, Oregon. I don't know whether there's anybody from Portland on the board of the council. They've never been able to do a good job of recruiting from southern California, and I don't know why it is. But I tried very hard, when I was on the nominating committee, to bring somebody from southern California. There isn't enough interest to get them started on committees so that they can then naturally come onto the board, and we had asked a couple of people who really had had no relationship to the council. And it just didn't fly. They couldn't see the value for themselves or for their foundation. It really should be developed, because southern California is an important part.

Southern California Association for Philanthropy [SCAP]

Morris: Is there that much contact between northern California foundations and southern California foundations, within the state?

Luttgens: They're quite different. The Northern California Grantmakers is quite different from SCAP, the Southern California Association for Philanthropy. SCAP is much more corporate foundation-oriented. We're a lot more informal up here. We tend to brown-bag it and gather around a particular subject that we want to do something about, whereas they're quite formal. They meet at regular times. I'm on their mailing list for their annual report and so forth. They do a super job, I think, of their annual meeting. They get important people, and they get important people turned out for it. But it's just a different cup of tea.

Morris: It sounds like there might be more visibility to the general public, maybe, than NCG.

Luttgens: I can't answer that, because I don't know. It would be a different kind of visibility. It would be a Phil Hawley serving on the board of the Haynes Foundation or other people who are CEOs who are serving. The Irvine Foundation is on that model. We talked about Dennis Collins, who's the executive of Irvine now, who replaced Ken Cuthbertson. Dennis is on the board of NCG and SCAP also.

We talked about more trustee involvement for some of our sessions here. And Dennis, pulling no punches, said, "You know, my trustees aren't interested. They come to the meetings, they make their decision about granting, but they aren't interested in coming to a lot of meetings around a particular subject." There are people like Sam Armacost and Myron DuBain--they're CEOs. Those are the kinds of foundation people that are members of the Southern California Association for Philanthropy, whereas here there are people who want to learn more. They're eager to learn more, so that they can be more actively involved. It's quite different.

Morris: Fascinating. You said you had a lunch date, so maybe we should stop now, and then I have my first question all ready for when we meet next week.

XVII LEGAL AND MORAL MATTERS

[Interview 7: September 28, 1988]###

Legislation and Regulatory Committees

Luttgens: I've given up going upstairs and trying to go through files, Gaby, because I find that I get so engrossed in minutiae, that it would take me days.

Morris: I think that is wise.

Luttgens: So I just am going to do it off the top of my head, and what I remember--

Morris: Particularly in view of the fact that we may convince you to deposit some of your boxes in the Bancroft.

Luttgens: Oh, listen, they're all poised and ready to go up there.
[laughter]

Morris: We talked a little bit earlier about the impact of the '69 tax reform legislation, but then more recently, there has been a recurring public concern about foundations. And I wondered if there was any contact with state legislators or with Fortney Stark or other congressmen?

Luttgens: There is a legislation and regulation committee at the Council on Foundations level. There is also one at the regional association level. The regional association one here, with Northern California Grantmakers, Kirke Wilson chairs, so he does bring items that he thinks are of interest to either the NCG board, to their attention, or to the Rosenberg Foundation board.

Now we had a meeting of the Rosenberg Foundation yesterday, and nothing specifically was said about what was going on right

now, but we had a lot of grant business to do, so it may well be that he just didn't think whatever was going on was appropriate. He does fill us in with what's happening with the immigration bill, of course, because that's an area of our granting, and he's very good about keeping the board up to date, the Rosenberg board and the NCG board as well.

And there has been discussion at the NCG board level about how flexible is that committee, the legislation and regulation committee, to either speak to an issue or muster support among other foundations. How independent can it be, is what I'm saying, or do they have to go back and clear through the Northern California Grantmakers board. And I think the feeling is as long as they clear with the president and the executive, if there's need to move quickly, that if they get approval they can try to testify, whatever, which I think is the way it has to be. You just can't always go through a ponderous procedure.

Morris: How about some of the state ballot measures that have had an effect on government spending in some of the areas philanthropy is interested in.

Luttgens: Unless those committees that we set up, like the Prop. 13 and the Follow-Up Committee, which I think was Prop. 9--unless there's a formal committee, foundations as a whole don't take a stand. Of course, they're awfully gun-shy, too, as far as advocacy is concerned. You know, as long as they're educating the legislature, they're in good shape. But if they're advocating, or if agencies that they're funding are advocating as a major part of their program, I think foundations are very gun-shy. They have to be careful.

Buck Trust Litigation, 1986

Morris: How about the attorney general's office?

Luttgens: Well, yes, I believe that a lot of that interest has come about as a result of the Buck Trust, where the assistant attorney general, Carol Kornblum, has become very interested in how foundations operate. I think the Buck Trust case, to my mind, really opened up a whole area that the attorney general's office hadn't paid much attention to before, and they began to feel as if they needed to regulate. That was one of the things that we were very concerned about on our little committee that was studying the implications of the Buck Trust, was that it was an

area to be watched because there could be a lot more regulation that could come out of it.

Morris: In what sense--in terms of payout or in terms of reviewing the documents when the foundations first started?

Luttgens: Well, as far as the Buck Trust was concerned, there was, as you recall, a review of some of the grants. That was a very sticky part of the testimony, where actually program officers of the San Francisco Foundation were called to discuss the grants that they had made, and were they really based on need or were they just based on the fact that the money had to be spent in Marin County. It put the foundation, I think, in a very vulnerable state, because for the first time, somebody was looking over the shoulder of the foundation program officer saying, "You should not have made that grant, perhaps."

Morris: That was the judge rather than the attorney general's office.

Luttgens: That's correct. But the attorney general piggybacked on a lot of that, as you recall, and started talking about that there certainly is a lot of need in Marin County. As I recall, some of John Van de Kamp's statements were: there are lots of potholes that can be filled and welfare people that can be helped, and so forth, in Marin County. So I believe that he latched onto some of that.

I know Carol Kornblum is concerned about good practice. That's what I have gathered, through what I have heard that she's done. And she did call me at one point. She called a number of foundation people and asked them generally about their sense of foundation procedures. It was a learning curve for them, to find out how these mysterious foundations operated.

Morris: Even though the attorney general's office has a standing unit that is responsible for looking after charitable activities.

Luttgens: Well, I think that unit could become a lot more active, was what I was sensing.

Morris: When did the NCG set up the committee to watchdog the Buck Trust proceedings?

Luttgens: It was February, 1984. I've given my files all away. I didn't join the committee at its original inception. I think it was Kirke and Ruth and Tom Layton and Donna Terman, from the Johnson Foundation. Claude Hogan from Van Loben Sels. Cole Wilbur from Packard. There were a number of people on it, because they were interested and because their foundations put up a little bit of

money to start talking. Rosenberg did not put any money into it. It wasn't in our granting area, but the others did, as I recall.

Morris: They put up some funding for a formal committee?

Luttgens: They put up a little funding. I don't know at what point they hired Tom Silk as an attorney to take a look at what was going on in this case. I believe that was further on, and I think that's when they went to Hewlett for some money. After Gerbode had put some up, and Johnson Foundation put some money up. But that was a little later on.

When they first started, it was to study and analyze the potential impact on philanthropy. Martin, I believe, felt that it was not necessary to have a committee of that sort, that there was going to be plenty going on that would be reported. He was at that time a member of the NCG board, as was I, and when the proposal came to the NCG board, to establish a task force--this is a group of foundations that are looking at this --the board balked.

When they came back a second time, it was agreed that a limited survey could be undertaken in the name of NCG. But they were very concerned about NCG's role in this. They really wanted to hold back from it. They didn't have any problems if a small group of foundations wanted to look at it, but when they wanted to be named a committee of NCG, then there were problems. Long story short: the NCG board did finally agree to have a limited situation and even agreed to file as friend of the court, so that Tom Silk could get the information that was going on in the trial. The expenses of the committee were totally Tom's expenses, in taking his time to monitor what was going on and meet with the committee and report it, and send copies of the briefs, and so forth, to us. They added me to the committee because I was an NCG board member, and NCG felt that they should have a board member on the committee. So I became very involved, but the committee had been meeting for several months before I joined them.

Morris: Before the matter went to trial?

Luttgens: That's correct. We were watching before that, and I was hearing about it, but I was not a part of it. Then Kirke dropped off the committee, because he was asked to testify. So he prepared testimony and dropped off of the committee and I don't believe was ever called to testify, but he prepared for it. There were frantic arrangements being made to bring people in from

Washington and everywhere, who had been involved in the discussions which preceded the action of the San Francisco Foundation.

Morris: In asking the court to review the original will?

Luttgens: That's correct.

Morris: Now these people were called by the court.

Luttgens: No, they were called by Martin for a meeting that was held in San Francisco prior to the [San Francisco Foundation] board's decision to do that. I would really want the files at hand before I tried to review all of the aspects of the case. There was a gap, as you recall, between the time that the initial San Francisco Foundation board said, "Yes, we think we should file to review the status." Some board members went off the board. When the final decision was made sometime later to do it, the complexion of the board had changed somewhat. Some new members had come on who weren't part of the original decision, as you recall. Plus the fact that there was a lot of heating up as far as Marin County was concerned, as Marin saw this money might be spread over other counties, although the San Francisco Foundation was not asking that the total amount be taken away from Marin, only shared with other counties. They would still continue to give most of it to Marin, but to add some of it to other counties that were in great need.

And so, the Buck Trust committee continued to be in touch with what was going on; to see all of the clippings from the San Rafael *Independent Journal*, which were sent on to us; to meet every three weeks or a month with Tom Silk; and to keep informed, to report back to the board. The thought was that some sort of a meeting or paper would be done at the end of that period to review, again, the implications of the Buck Trust for philanthropy, which was the key thing. The committee also very early on, before I joined it, made a statement to the Northern California Grantmakers board that their best opinion was that the San Francisco Foundation should settle out of court before it ever came to court. That was not accepted by the NCG board as a position for the NCG board. Therefore, that part never went forward, although in hindsight, it was obviously a very good recommendation.

Morris: Was contact maintained with Martin Paley, or did he distance himself?

Luttgens: It was informal. Martin, I think, was very hurt that the foundation community didn't rally to the San Francisco

Foundation and say, "What you are doing is absolutely right." Also, he felt that an aspect that should be investigated was how the trustees arrived at their decision and why they arrived at their decision, and that was never part of our committee's deliberations, although, as you recall, several trustees were interviewed by the court.

Morris: This is the original board?

Luttgens: Yes, and I think in their discovery they even went back to talk to board members who had been on the board prior to the time that the decision was made, because I remember being called by somebody. I don't think it was Carol Kornblum, because she assumed that I had been on the board at one time, and I said no, I never had.

Morris: One spot you missed.

Luttgens: Yes, that's right. (laughter)

Morris: The will from whence all the controversy arose had been written some years previously.

Luttgens: That was the San Francisco Foundation's point, plus the fact that they had no idea that the magnitude of the amount left was going to be so great. It's very interesting, because one person in particular, who was an officer of an oil company, mentioned to me that he had negotiated for those holdings that eventually became property of Shell, I think. The Belridge Oil Company holdings. And that the family had no clue that they were that valuable.

Morris: This is somebody from another oil company who tried to acquire it?

Luttgens: Correct, and he was never asked to testify, and he never did. He just mentioned this to me when we were having lunch one day about a whole other subject. That was never brought out in court, of course, but it would have been an interesting facet, that in the original purchase of those shares, that the people that were selling them had no intimation that they were worth that much money.

Morris: The person you talked to, as an oil company official, presumably had an idea of their potential.

Luttgens: No, he was looking back. I mean, they wanted them because they thought they had some potential, but they didn't know how much either.

Morris: Why didn't the foundation community rally behind Martin?

Luttgens: I think, again, they were afraid of taking a position.

Morris: Did the Rosenberg board, for instance, discuss it?

Luttgens: We never discussed it, and we deliberately never discussed it, because a member of our board is Cruz Reynoso, and if it should have gone to the [California] Supreme Court, he would have had to disqualify himself. We never discussed the committee. We never discussed the suit. Deliberately. Originally, many of us thought it would go to the supreme court, and I think, again looking back, that that is probably the reason why a lot of the things were done, legally, that were done by the attorneys that were representing the San Francisco Foundation.

To move on to why we never did anything about a paper or about a meeting: We struggled for months on the committee, trying to design a program that would be useful. And we went backwards and forwards. We changed our minds. Members of the committee changed their minds. Another member who was involved in the beginning was Cole Wilbur from Packard, and Packard put some money into it. There was a feeling, by some members, that it was terribly important to call people together nationally from the foundation community and to discuss it.

It made the trustees of the San Francisco Foundation very uncomfortable, although I must say that Sue Metcalf, a member of their distribution committee and a member of the NCG board, who was invited to join the committee toward the end of our deliberations, when we thought we were planning something, was absolutely marvelous. She was not happy about what we were doing, but she sat in on the deliberations, and she participated in the planning.

When we finally decided not to do it, after going backward and forwards, it was because even though you brought in somebody of national stature to discuss the implications, it still was pointing the finger at the San Francisco Foundation. It was our feeling that once the trial was over, what they really needed to do, and the best thing we could do to help them, was to help them develop a credibility again so that they could become a viable entity. They were being looked at as the bad guys, the greedy guys, and so we finally decided that it just wasn't going to serve anybody's purposes.

Now, the American Bar Association had a session which Ruth was able to attend, in which Jim Gaither and somebody else, I

believe Jim was a part of that, discussed the implications from a legal standpoint. So there had been several other--

Morris: Before he was a member of the Rosenberg board?

Luttgens: Oh, long after. And as a matter of fact, I don't think he had agreed to chair the new Marin Community Foundation board at that point. I think it was still just at the end of the court settlement, but I could be wrong, and that was one of the other things we talked about, should we get Bob Fisher and Douglas Patiño as part of this, to talk about implications now for their foundations?

It just was too messy, the whole thing, and after much deliberation, it was decided that we wouldn't do anything. We would make a report to the NCG board. Now to my knowledge, that report still hasn't been written, because I haven't seen it.* But that's a good question, and I think I will remind myself to go back and see. We do at least owe that to the board and to the foundation community, if anybody wants it. In other words, to the Northern California Grantmakers or beyond. A report of what the committee did.

Morris: Would you have talked with Martin, or were there more formal discussions with the San Francisco Foundation board, about the matter of whether to pursue it in higher courts?

Luttgens: When the decision was made to settle, eventually, and when Martin left the foundation, we certainly were not in a position to suggest to them they try to pursue it.

Morris: And having decided on a settlement, then that sort of precludes going to the higher court.

Luttgens: That's correct.

Morris: What were the discussions in the committee about what the implications were?

Luttgens: Some of the discussions centered around the trustee role, which is the thing that Martin had wanted us to spend more time on. Part of it was, should trustees also serve, or have their firms serve, as professional assistance to the foundation. As you recall, and I may cut this out when we redo it, Bob Harris's firm was the legal firm that served the foundation and actually was the legal counsel for the trial. Bob was president of the

*Buck Trust Final Report distributed October 17, 1989.

foundation when the discussions first started. The question about trustees' role is, did they have good legal advice when they undertook opening up the will? Had an objective legal source identified for them the implications of what it would mean for them and for the foundation? We rather had the feeling that they had not had as complete legal advice as they might have.

Morris: Was the sense that the idea of taking up the issue originally came from the distribution committee or came from staff?

Luttgens: That was a question that we never resolved. It was certainly discussed. I think it was Martin's feeling that it was a trustee decision after having participated in this gathering of people from across the country who he pulled together. I think others felt that it was something that staff was recommending, and as I recall, what came into court were also sort of mixed messages.

Morris: Would John Van de Kamp have been part of that group that was pulled together to talk about it before?

Luttgens: No. They were people that were involved in foundations across the country.

Morris: Because there's a persistent rumor, for want of a better word, that the attorney general was encouraging this action.

Luttgens: Oh, he did. That's absolutely documented. He was encouraging it originally, and then when he turned a total flip-flop further along, it was a terrible shock to the foundation, because they were under the impression that they were operating in a way that he thought would be beneficial.

Morris: Did he ever talk to any of the foundation people about why he flip-flopped?

Luttgens: Not to my knowledge. There may have been something. I don't remember anything in the newspaper clippings, either, but it was certainly brought out in court that he had originally encouraged them.

Morris: It was an election year, and he was up for re-election.

Luttgens: Yes, I guess the more experienced I become, the more cynical I become about political positions being taken, in terms of seeking a new candidacy or being re-elected, or whatever. You see it in the business world, you see it in the nonprofit world.

And he might very well decide to take this as a major area to get into.

I was asked to do the luncheon talk for a Council on Foundations trustees meeting in San Diego just before this went to trial, and I debated about whether I should say something about the implications of this. The fact that we had a committee, that it was meeting and that the matter was going to trial, that I thought it would have great implications for foundations. And debated and debated, and I spoke to Tom Silk about it and said, "Do you think this is inappropriate for me to do so?" And he said no, and I spoke to the chairs of the committee, and they said no, they thought it was fine. I was just going to put a little piece on the end of my talk, because I was supposed to be talking about trustee responsibility.

And I did mention it, and I did say--this was in January, as I recall--and I said that this trial was going to start in February and that I was surprised by the vehemence of the people in Marin County, who were very offended that this was their money that was being taken away from them. I was also realizing the depth of lack of understanding that the general populace has of foundations. The fact that they operate privately, behind closed doors, make decisions based upon their best knowledge, but as far as the man on the street is concerned, he sees other needs and he wonders why that foundation is able to operate with money that is tax-exempt and so forth. So it really brought a lot of that to the fore, and also the fact that trustees have a real responsibility in taking actions such as these.

It was very interesting, because after I finished my talk, a fellow from Pennsylvania came up to me. He said, "You know, you've really made me think. I'm a member of a hospital foundation, and we were about to challenge the will of somebody who said the money had to go to two hospitals. We were going to challenge it and say it should only go to our hospital. I'm beginning to wonder whether we ought to do that." And I said, "Well, if I were you, I would work out an arrangement with the other hospital, who was expecting continuing money, before you ever went into court about it, and make sure that your trustees understood that they might have a battle royal on their hands. Because once you've started that sort of funding and you try to diminish it or take it away totally, you would be in the same situation, it would seem to me."

Morris: What about the implications, for a foundation, of accepting a bequest?

Luttgens: That's a very, very good point. I would think that foundations would want to be very careful about the kinds of inclusions, exclusions that were put on a bequest, to make sure that it was going to be feasible to administer and not just feel, "Yes, we need that money. We'll take it."

Morris: Did Tom Silk look into this aspect of it at all?

Luttgens: I don't believe so. I'm sure it's something that occurred to him, but--

Morris: Yes, because I remember John May, years ago, telling me about the ancient doctrine of *cy pres*, that, in general, in terms of philanthropy, there is precedent for challenging a previous decision when the situation has changed.

Luttgens: I'm trying to remember the actual words.

Morris: The dead hand of the past?

Luttgens: Well, no, it's like "impossible," but there's a word that is close to "impossible" which was the whole basis of asking the court to rule on the intent of the will.

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Luttgens: "Illegal, impossible, or impracticable" is the phrase used for *cy pres* doctrine. And that was the whole basis of the case, of course, that the situation had changed. And what Marin County was insisting was that there still was plenty of opportunity and need and the other thing that happened was that the whole Marin Council of Social Agencies then were paraded onto the witness stand to say, "Oh, yes, we could use so much more funding," or whatever. And all of those people who had been partners and who had worked with the San Francisco Foundation to administer programs, suddenly were enemies. It was a very traumatic period, I think, for both the staff and the trustees of the San Francisco Foundation. And I do believe that some of the newer trustees found themselves in a situation that was not of their designing and wanted to finish it up as quickly as possible.

Principles, Practices, and Ethics Committees, Council on Foundations and NCG

Morris: Do you see any change in trustee attitudes or foundation behavior in the succeeding couple of years, as a result of the Buck Trust suit?

Luttgens: Well, we also had a committee of the Northern California Grantmakers, which has been meeting for about four years on principles, practices, and ethics. It is based on a committee that was established when I was chairing the Council on Foundations, which came out of some discussion at the board level of the council, saying shouldn't we have some standards which foundations need to live up to: for example, publish an annual report, make sure that you get back to the people who send you proposals.

Morris: That hasn't existed in the foundation world?

Luttgens: It had not. The statement has since been published, and it's got ten parts to it. Martin Paley served on that Council on Foundations committee. It had on it representatives of the most conservative and the most liberal foundations. I attended one meeting, when I was chairing the council, and I thought they would never be able to resolve anything. They were poles apart. What they finally came out with was something that they all subscribed to. For some in the foundation world, it is not enough. It should have gone further. For others, it's too much.

It's now a document which foundations, when they join the council, are asked to subscribe to. As a result, there are a few foundations who have dropped out, because they feel they are independent entities, and they are not going to be dictated to by anybody. They don't wish to belong to an organization which has membership--I use the word "standard," and they're minimal standards. "Principles and practices."

Morris: Goals and guidelines.

Luttgens: Exactly, yes. And there are others who say, "Well, that never went far enough." Our committee, and the Northern California Grantmakers, started with the feeling that those ten precepts didn't go far enough, so we would see what we could do to beef them up. The committee has been going on, as I say, for about four years, from my recollection. Martin was the original chair of the committee, as I recall, and it's about to publish a document about which there's a lot of quibbling still, about how

it will go. There are people on the committee that feel it should be stronger and some that are a little hesitant to be too strong. But I think it will embellish the council document.

Many of the same people who served on the Buck Trust committee are now serving on the Principles, Practices and Ethics Committee. As a result, you can't help but have some of the things that were discussed in the Buck committee come into the thinking of the second committee. As a matter of fact, when we finished the Buck Trust committee, the feeling was, well, a good place to carry on that discussion is in Principles, Practices, and Ethics.

Morris: Removed from any specific situations.

Luttgens: Exactly. That's what we were trying to do, not to point the finger at a particular situation, but to pick out of it some of the things that were important in good foundation performance. Being open with colleagues, you know, that kind of statement. Keeping your board well-informed. That's just sort of good housekeeping behavior.

Morris: What's your sense as to whether there's a sizable number of foundations and company giving programs that are reluctant to consider those principles, and operate on them?

Luttgens: We actually did a survey. We had, I've forgotten how many, representative foundations from each of those categories, and Caroline Tower did it before, she was the director of Northern California Grantmakers. She was not the executive director, but she interviewed foundation representatives from all those categories. And I think, generally, foundation behavior is pretty good. We're trying to raise some questions that we think foundations should be thinking about, whether they actually subscribe to them or not.

Trustee Compensation Questions

Luttgens: One of the hot subjects is trustee compensation. Should trustees be compensated for their service on the board? The Council on Foundations, as part of their survey of foundations, has found that 57 percent of their membership do not compensate trustees, but it's increasing. Some do not compensate all trustees; maybe if it's a family foundation they only compensate the non-family members. Family members waive their fees. I happen to not believe in trustee compensation, mostly because I

consider foundations nonprofits, and the National Charities Information Bureau Standards Committee--which I've served on the last year and a half and has just completed their standards about six months ago--made a statement that nonprofits should not compensate board members except for reasonable expense, if you have a board member who has to travel a distance or needs child care to participate.

Now when we discussed this (there were a number of foundation people on that NCIB advisory committee), and one of the foundation representatives said, "We're talking about two tiers here. We're talking about some foundations, which do compensate their trustees, and we're saying to the nonprofits that the foundations fund, "You shouldn't compensate your trustees." So who's right?" And I happen to believe that trustees should not be compensated.

Now I hasten to say that the Johnson Foundation, where I agreed to serve as the only non-family board member, compensates trustees for meetings, and when I found that out I said, "You know, I don't believe in that." I'm going off that board. I had my last meeting in October. One of the calls I'm going to make today is going to the executive, because I see on the docket is a discussion of increasing trustees' compensation, and I at least have to say what I feel, even though I'm not going to be affected.

Morris: What about the carryover in people's minds, specifically trustees from the business world who are familiar with being compensated as a corporate director?

Luttgens: It's the business model, and I think that's what they were trying to do to attract some corporate leadership. In some cases, foundation trustees are compensated very handsomely. The trustee chair of one local foundation receives fifty thousand dollars a year. Granted, his responsibilities have been major over time. Number one, I don't agree that it is a good practice. Number two, I think you have to look at the circumstances that brought it about. In talking with the secretary of the Carnegie board, who was a member of the Standards Review Committee for NCIB [National Charities Information Bureau], she mentioned that her trustees received quite a bit of money for participating. They had corporate members on the board. They started out compensating because they were trying to attract members who were going to have to take a day off from work, and it would be a problem for them to do that. In other words, they were looking for working people of minority background, ethnic background.

Morris: A broader representation than they had had before.

Luttgens: That's right. So there are two reasons. There is the corporate model, where to attract the corporate person you think you need to compensate. There is the reason of bringing on people who are going to have to give up a day of work, which would be a hardship for them. There might be a third reason, which we also discussed, as you bring non-family members on for reasons of their professional expertise. If you bring an attorney on and you expect him to provide legal services, in the beginning days of the foundation--not later, as I've already mentioned, but in the early days--where you do call on the CPA and the attorney and perhaps the public relations person, or whatever the professional expertise is, I can see how that might have started, but then once the foundation gets big enough to employ people who do that, they continue and so do the fees.

Now a second area, and this is one of the areas the attorney general is interested in, is that that money, of course, is money that then is not going to the public good, necessarily. It's not going to direct service. There is a second area to this, and that is the discretionary pool of money which some foundations allow trustees to designate to a charity of their choice, a certain amount of money. That is a common practice at a number of foundations.

Morris: Not the executive's discretionary money. It's trustee discretionary money?

Luttgens: Right. In other words, if I'm particularly interested in the ballet, my allocation for the year is two thousand, five thousand dollars, whatever, and I can say to the foundation, "I'd like that money to go to the ballet or the United Way," or whatever. I also take a dim view of that, but it's my understanding that when Carnegie got involved in that, they did that as an either/or, but then somehow it turned out to be an add-on. The Koret Foundation has both of those features,* and it's one of the things that the attorney general is very interested in.

Morris: Does that relate to why Koret has had, I gather, some internal difficulties?

Luttgens: I think there are some other reasons as well, like a BMW that was purchased for the use of the chairman of the board, and that

*Since discontinued.

sort of thing. It tends to get into self-dealing, and I guess in my mind, it is better to lean totally the other way, so there's not even any perception of perks or anything of that sort.

Morris: Is this, the appearance of self-dealing, something that is discussed amongst foundation trustees at all?

Luttgens: Well, it certainly is in John Nason's book,* and it certainly is in any discussion that I'm asked to do with trustees.

Morris: And in general, what do trustees respond as individuals?

Luttgens: Well, one response that I've heard secondhand--I've not heard it directly--is that if it hadn't been for the chairman of this particular board, that the foundation would never have come into existence. Therefore, he advised the donor and drew the plans, and so forth. I somehow suspect he was paid for those professional efforts, and it shouldn't be extended. In another case, I think that family members who are not direct beneficiaries of the will may see this as a way to share in a legacy that has been left to a foundation. I think that that is sincere on the part of the grandchildren or whoever is one step removed, but I don't think it's right.

Morris: Those were issues that were very much in the fore of the hearings and the discussion about the 1969 Tax Reform Act.

Luttgens: That's my concern, Gaby, that it's going to reopen all of those questions again, and if a decision is going to be made by the foundation, it needs to be made against the backdrop of that possibility. If they're going to go ahead and do it, then they're going to go ahead and do it, because it's a private entity. But I think they have to realize that those are the kinds of things--well, they were written about recently by David Dietz in the San Francisco *Chronicle* Sunday article, and he named some foundations. I think that's there, and I think it's a real concern.

Morris: To have the same issues still around twenty years later is startling. There's been so much change in so many other areas, I would have expected--

Luttgens: I think part of it is the philosophical discussion of private money for public good. How far does the private money authority

*John W. Nason, *Trustees and the Future of Foundations*, New York: Council on Foundations, 1977.

breach into the public good area? If you're a purist, and you think as much money as possible should go to the public good because of the tax-exempt status of the money, then you say no compensation, the smallest possible administrative budget to get the work done, no perks.

If you think, well, by God, it's my money, my family's money, as Irving Kristol continues to say and said publicly at a speech in one of the Council on Foundations meetings, "Don't ever forget it's your money." As long as that philosophy is there, then there are going to be people that say, "It is my money, and I'll spend it any way I want, and I'm going to do granting the way I want."

And then there's a lot of in-between. I mean, the Packard Foundation, to my mind, I don't even know whether they compensate their trustees, but my guess is they do not, and my guess is that although it's their money, it's above reproach. I don't know whether they went through the foundation on the Monterey Bay Aquarium. It's my impression that that was a separate giving program with some augmentation from the foundation, and I could be wrong about that. There could be people who say, "Why did you put an aquarium in Monterey Bay?" and question that decision. I think that was their decision, because they thought it was a good thing to do. I happen to think it's a magnificent facility.

PRESIDENT'S TASK FORCE ON PRIVATE SECTOR INITIATIVES, 1982

Aspen Conference, 1981

- Morris: Are these kinds of ethical questions discussed at some of the other forums that you've been involved in--I thought we might get to today--like the Business Leadership Task Force, the Private Industry Council, and the President's Task Force?
- Luttgens: No, those sorts of issues have not been. The President's Task Force on Private Sector Initiatives was very much an attempt, as you know, to get the private sector more involved in giving, and that was the major discussion there. It really did not evolve around foundation behavior. It was very much an effort to get private citizens more involved in giving and in volunteering, and also businesses.
- Morris: How was that set up and how did you happen to get involved in it?
- Luttgens: Well, I got involved in it, because in 1981, when I was chairing the Council on Foundations, I got an invitation to attend a meeting at Aspen, Colorado, discussing the future of foundations. It was co-chaired by John Gardner and Wally Nielsen. I thought it was a good thing to do.
- Morris: That was sort of the first team.
- Luttgens: That's right. I went to it, and it was a broad spectrum of foundations across the country: private community, corporate. I remember Gene Wilson was there from Arco. A lot of leadership that I had known through my involvement on the council. Interestingly enough, too, Kitty Teltsch from the *New York Times* was there, and Kitty was allowed to sit in on our sessions. She was not allowed to write about them. If she could buttonhole

somebody for an interview and they were willing to be interviewed, she could write about that.

Morris: Tough ground rules.

Luttgens: Awfully tough, but I think she enjoyed it, because it gave her a lot of insight. About the first day, we were seated alphabetically, as I remember, because I was seated next to Reynold Levy, who at that time was with the Ninety-Sixth Street YHCA, the Jewish organization in New York, and has since gone on to be the chief contributions officer for AT&T. But I was seated next to him, and he was less known to me. There weren't then a lot of people there, so he was designated to take a lot of notes.

Morris: For his own organization, or was he the recorder for the meeting?

Luttgens: Well, he wasn't officially the recorder, but he'd been asked by John and Wally to keep track of what was going on. It was really a fascinating session, because about a day and a half into it, they had some White House people there. There was somebody there from the Heritage Council and the director of ACTION, the domestic Peace Corps: Tom Pauken. There was a sociologist from Boston. I looked across the table at him. He had a shaved head, black shirt, black pants, black boots, black glasses, and he looked like he was straight out of the SS.

It was the first time I had heard about mediating structures. The thing from this Boston professor with the shaved head was that if you just cut back on federal funding, mediating structures would occur--that families, neighborhoods would all come to the fore, help out these people who were in need. And therefore, it was just a matter of time, and people would be taken care of. This was reiterated by a young black man, Robert Woodson, who was involved in some neighborhood activities, and he's still involved in some government programs, still pushing his thesis that neighborhoods will take care of people.

Morris: That's sort of the conservative social viewpoint.

Luttgens: Those of us who had come from the, we thought, middle ground in foundations were absolutely shocked at this, and I can remember we gathered in somebody's room. I can remember saying to John Gardner, "This is a shambles. You're going to have to get everybody back on track. Everybody is totally shocked by what they're hearing from the White House. Yes, there are going to be enormous budget cuts in the social agency area, and yes,

somebody's going to pick up on it--we don't know who, but mediating structures won't take over." And so they asked Reyn Levy to put down all the good things that people had said, not the bad things.

Morris: Was this an invitation gathering?

Luttgens: Oh, yes, it was very, very invitational. So, the next morning, Reyn started putting up on the board all the good things. John Gardner was really the one that pulled this thing back together again, and we began trying to move on the positives, as opposed to this enormous sense of shock that we had. But out of that, it was quite clear that the Reagan administration was embarking on some very large budget cuts.

Morris: Was this meeting put together with the idea of making the acquaintance of some of these new White House people?

Luttgens: You know, I never asked John why they did put that together. I think it was an opportunity to identify what was going to be happening very quickly.

Morris: With a new administration coming in. Interesting idea.

Luttgens: Well, I'm trying to think. I was about to pursue something.

Morris: Oh. Mr. Levy had put the key points on the board.

Luttgens: Well, yes, he put it up, and we tried to move into what was constructive about it. Well, I've lost whatever it was I was going to tag onto that, but the idea was that we jolly well had better start thinking about the future, as far as foundations were concerned. Number one, were foundations going to start to pick up on a lot of these services?

Oh, I know what it was. Les Salamon was there, and it was at that meeting, I believe, that he got the idea that it would be useful to document what the cuts were and what the effects were. Of course, his studies then followed up on that and were extremely useful. But I spent some time with him, I like him very much, and Brian O'Connell was there from Independent Sector and Elizabeth McCormack from the Rockefeller Family Association. I think she was seated on the other side of me, because it went L, M. I can't remember the name of the fellow who was head of the domestic programs, who was very negative about things and seemed to think that there wouldn't be any problem about--

Morris: It wouldn't have been Robert Carlson, would it?

Luttgens: No, it was a Tom, Tom Pauken, he was the director of ACTION. He was somebody who tried to block my serving on the Private Sector Initiatives, because I was rather short-tempered with him in some of the things that he had to say. I knew quite a bit about education, having been involved in the Education Fund, and I said quite a bit about education, some of the things that this was going to result in, as far as education was concerned. And I think that's how he decided that he didn't want to see me anymore. Anyway, we caucused with Kitty Teltsch one night, and we said, "Kitty, you know, what's your impression from a journalist's standpoint?" And she agreed. She said, "This is shocking. I mean, it's really going to be something to watch."

White House Briefing

Luttgens: Anyway, we all went home from that, and about August--this was June or July--I had a call from James Rosebush, who was the person that had been designated to put together a task force to look at this for President Reagan. And naive as I am, never having been asked to serve on a presidential committee, he mentioned a date when the president was going to be in southern California and suggested that I meet with some other people who were going to be discussing this. And I said, "Oh, you know, I can't do that. I have something on my calendar for that day." [laughter] I remember, I was out to lunch and I remember taking the call in a telephone booth in a restaurant--and he was sort of shocked. You know, why wasn't I going to drop everything? And he tried to talk me into it, and I said, "Well, I suppose I could rearrange something."

Then they called back, and the date wasn't going to work out. It was when the Libyan thing was going on, and the president was much more involved in figuring out what was happening in Libya than meeting with a bunch of people who might serve on a sort of a PR task force for him. Then they established another date, and that one got washed out, and I kept having the same experience over and over again. I mean, "We just want you to get together and talk about this," but it was always three days before, and I was always in the position of saying, "I'm not sure I can do that." My husband, Bill, needed a lot of attention at that time, and to arrange additional help for him, so that I could just pick up and go to Washington or southern California, really wasn't that easy for me. I could schedule ahead, but to do it at the drop of a hat didn't work that well.

But on the other hand, I certainly wanted to be part of it. I didn't want the council to be left out. We finally had a meeting in December. I think it was the first week in December of 1981. And there were sixteen of us. Have I discussed this on tape?

Morris: No. I've been waiting with bated breath until we got there.

Luttgens: Okay. Well, it's an interesting story. I was briefed the night before by the attorney for the Council on Foundations and the president of the Council on Foundations, who came to my hotel in Washington. The meeting was to be at eight o'clock the next morning, and it was a breakfast meeting in the White House. We were each to have five minutes to speak about the things that we thought were important, concerning this administration and the private sector. I was briefed on the need for Treasury to be more responsive and to be more in line with what was happening, as far as Congress was concerned, and to have an understanding of foundations' worth in rounding out resources that were available and not continuously trying to set up more difficult regulations. I mean, that was really the thing, as far as we were concerned. That we had proved ourselves, and so on. It was very well-documented with specifics.

I woke up the next morning. I thought, "I think I will just have breakfast before I go, because my guess is that it will not be the most relaxing of sessions." So we gathered, and there were a number of people that I knew there and a number that I did not know. There were sixteen of us. In addition to the president, James Baker, David Gergen, who never showed up. We had place cards, and I was seated between Baker and Gergen. Jim Rosebush, who had put the thing together. This was before he went off to be Nancy Reagan's staff. Michael Deaver, Ed Meese, Elizabeth Dole. It was pretty full-court press. After being served some fruit juice, we went into the dining room.

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And Mr. Reagan, too, took time to have breakfast before he came. We were served breakfast by white-gloved waiters, who were handing us little quarter-sized blueberry muffins and scrambled eggs, with all of this coming over the appropriate shoulder. Jim Baker was a delightful breakfast companion. I chatted with him, liked him. I've liked him ever since. I just liked his openness, his interest in people--didn't like the way Deaver and Meese were behaving themselves, particularly, and had an opportunity to sit with Deaver later at a White House lunch, which only confirmed the feeling.

At the appropriate time, breakfast pretty much being dispensed with and coffee being sipped--the president came in, and right behind him, as he sat down on the same side of the rectangular table where I was seated, so that I had to peer forward to see him-- Across from him was the only other woman, besides Elizabeth Dole, who was the secretary of human resources for the state of Virginia [Dr. Jean Harris], a black, who had announced early on that she was going to have to leave, because she had a meeting that she had to get back to in Virginia. So she was anxious to speak first. We weren't going to go in any particular sort of order.

And when the president came in, the door was opened and the press erupted into the room with cameras, lights, microphones, just in a violent eruption. And the president said a few words about how it's always been the American way to help your neighbors, and if the barn burns down, the neighbors come around and help, and we have seen the example of the television program where the child is hurt and people send money to help the child, and so on. So it's the American way, and so our meeting today is exploring what the private sector can do to assist people, and so forth, in view of the fact that he was going to be making some recommendations, and the administration would be making some cutbacks in social programs. And the press asked a few questions, it was very brief, and out they went.

Seated next to the president was a man who had been chairman of the United States Chamber of Commerce, was still the CEO of a major corporation. When the press had left, he said to the president, "Mr. President, don't worry. The corporations simply haven't known where to put their money, and they will make up the budget cuts." Well, I did an audible gasp, and Jim Baker said, "Move around the table where he can see you. I suspect you have something to say." And I said, "I do." And so Dr. Jean Harris, instead of our going around in orderly fashion to give our five-minute presentation or whatever, leapt in with some of her comments.

Several things struck me about that meeting. Number one, there was enormous respect for the office of the President of the United States, however much they might disagree, because there were two or three people there who violently disagreed with what they saw happening. There was an Hispanic from Arizona, who saw the UDAG funds being cut and made a pitch about how useful they had been, how Arizona never would have been able to have moved into some of things they had done if it hadn't been for the government funds. John Jacob, who at that time was the assistant director of the Urban League, was very poignant, I thought. I've thought about it a lot. When he was able to

attract the president's attention, he said, "Mr. President, we understand what you are trying to do, but *it's in the meantime* that we're worried about." And I've thought about that a lot, and I was finally able to catch the president's attention, and I said,--

Morris: There wasn't a coordinator saying, "Now you, now you." It was everybody by themselves?

Luttgens: No. There was supposed to be, but Dr. Harris started it off in an informal manner, and it just continued that way. The president listened very carefully whenever anybody spoke, smiled very nicely. When I had an opportunity to attract his attention, I said, "Mr. President, I'm afraid I differ with Mr. So-and-So. There is absolutely no way that the private sector can pick up the budget cuts that are being proposed." But I said, "We're going to have to make some very hard choices, and we will make those choices." And I went back to the discussion of the Treasury and foundations, and so forth. He was with us for about an hour, I would say, listening. Not very much response, but there was plenty coming from those of us that were there.

Morris: What about Baker, Meese, and Deaver?

Luttgens: Well, they all sat and listened. Nobody said anything, and finally Baker, I realize, sent the eye message to Deaver, who sent the eye message to Rosebush, and the president very charmingly said, "I see I'm getting the message that it's time for me to move on to my next appointment," and stood up and went around the room and shook everybody's hands. When he got to me, I said, "Mr. President, I've had the pleasure of knowing William French Smith for a long time," and he looked at me as if, "Who in the world is William French Smith?" And he said, "Oh." I thought, that was my first reaction experience, "Gosh, he's going through the motions, but I'm not sure he's really hearing."

Morris: Tracking what's being said.

Luttgens: Yes. And so we all marched out, and it was like ten o'clock in the morning, and I went over to the council office and reported on the meeting.

Public Relations Aspects

Luttgens: He was announcing that day that he was going to put together a task force on private sector issues. And as I understand it, my name was in the pool. I was told this from somebody inside, and it was only by some real pushing by some people that I was appointed to that, because this Tom Pauken really didn't think it was a great idea. I was anxious, because I really thought the council should be represented, as I said earlier, and also I thought it would be very interesting. Now I started out being very naive. I thought that the task force could do something. I've since, from my experience, felt that one year is not enough time for a commission to do very much but simply dip into what the facts were.

Morris: This was set up as a one-year task force.

Luttgens: Set up as a one-year task force. It was chaired by somebody who had not been present at that meeting, Bill Verity, who was the retired chairman of Armco Steel, and who had an association with the U.S. Chamber of Commerce. It had on it John Gardner, Leon Sullivan, Dick Lyman. It had Cardinal Terence Cooke, assisted by Archbishop O'Connor, who was not archbishop at that time. He was a monsignor. It had two or three other church representatives of different persuasions. I think it had one Hispanic, several blacks, no Asians, as I recall. It was geographically pretty well-distributed. Again, we were always seated alphabetically, so I was always seated next to Dick Lyman, which was great, as I was able to discuss with him.

Morris: Who were the White House liaison or staff?

Luttgens: That's a very good question, and looking back on it, I think it was set up entirely as a PR operation. Jim Rosebush was our original person, and I gather Bill Verity said, "I don't like working with him. Get me somebody else." So he was moved over to serve Nancy Reagan, and Bill Verity eventually brought in somebody from Armco, who worked as head of the staff. They hired people like Renée Berger, who had done some work for CED, who wrote a very good paper later, which you might be interested in seeing, as a matter of fact, or maybe you should have in your files.* It's a rather gentle paper, but it very clearly makes

*"Private-Sector Initiatives in the Reagan Era: New Actors Rework an Old Theme," in *The Reagan Presidency and the Governing of America*, Urban Institute, Washington, D.C., 1985. Copy in supporting documents.

the point that this was an idea that Rob Mosbacher thought would be useful, Rob being from Texas.

Rob has been a member of the initial task force and of every continuing advisory group. I think Rob sincerely thought that it could be a useful opportunity, but I think he also has political ambitions and saw that it would be a way that he could get some visibility with the administration, and may still be running for something. I'm not sure. The staff was hired and paid for by donations to the task force. There was never any government money given to it, and as far as I'm concerned, the liaison was pretty loose. It was sort of Deaver and Meese, and Vice President Bush swore us in.

Morris: Bush swore you in? You were sworn in?

Luttgens: Oh, yes. I'll show you, in my guest bedroom I have this great framed document that says, "I, Ronald Reagan, appoint Leslie Luttgens for the time being--" It's a great thing.

Final Report Problems; Enterprise Zones

Luttgens: Anyway, the lines were never very clearly drawn, about was there to be consensus on everything, were we to make a report to the president and so on? I was assigned to a subcommittee that was chaired by Bill Norris of Control Data, and Bill Norris was wonderful. Crusty fellow, but really sincerely interested in enterprise zones, trying to do something about making jobs for people. As a matter of fact, he did so much of this with Control Data that when he went out of office--it was his company, he had started it--when he left as chairman of the board, they were in trouble financially. They were coming back, but they had extended the kinds of programs that they did too far. They established a bookbinding effort in Toledo, Ohio, in a ghetto area. They were doing that kind of thing and were being pointed at across the country as a really innovative company, as far as community service was concerned, but it was a drain on the company.

Morris: On the basic purpose of the company.

Luttgens: Yes, but I became very fond of him. The executive of the Stewart Mott Foundation in Flint, Michigan [William White] was a member of that task force, along with Ellen Sulzberger [Straus], who was from New York, who started Call for Action. And the last person was Jim Henry, who had established a nonprofit in

New York City, and because we were so scattered with Michigan, Florida, New York City, Minneapolis, and I on the West Coast, we had most of our meetings by conference call. And they'd be three hours long, which I found very difficult. We tried to piggyback meetings onto the regular meetings of the commission, which were about every other month. And they were either in Washington, or Baltimore, one in Wichita. Bill Verity decided we should go to Wichita, Kansas for one of the meetings. And I said, "Wichita?!" And he said, "Leslie, you will love Wichita." Well, it turned out Wichita was fascinating, really, because the people in Wichita had pulled themselves together as a city and were doing terrific things. They had a food bank that was working well. They had all kinds of neighborhood support, and it was a very depressed area, because there wasn't much going on as far as the aircraft-building is concerned.

Morris: They had done this before the Reagan administration?

Luttgens: No, during. They were in the process of doing it. One of the meetings was in Baltimore, which I was not able to attend. Jim Rouse was also a member of the Private Sector Initiatives Task Force, and to see what he had done in Baltimore with leveraging private funds and really redoing that whole Baltimore harbor and so forth-- Our meetings were either in the Red Cross in Washington, D.C. with a lunch to follow in the White House. We never graduated to having dinner in the White House. Lots of lunches.

The task forces were meeting, and we had really quite an ambitious set of things that we wanted to recommend that we were very much in favor of on our subcommittee, which was the Incentives Committee. Really initiatives, how to get things going, how to move them from somebody's idea into a sheltered sort of greenhouse which business could assist on and into a viable business, mostly based in the small business area. And Bill Norris had a film made--a video--which he made available. It could have been sent throughout the country. It was never used. He used it internally, but it could have been used nationally to show the kinds of things that could be done. I've tried to push it here with the Business Leadership Task Force, because I thought it would be of interest to businesses here to see the methods that can be undertaken in entrepreneurship.

Some of the other subcommittees--Dick Lyman served on one chaired by Arthur Levitt, head of the American Stock Exchange, to recommend ways to increase the effectiveness of private contributions of human and financial resources. In their recommendations was something which now Independent Sector has embarked on, which is to give 5 percent of income and volunteer

five hours a week. I remember that meeting very vividly when Dick brought in his recommendations. We were in the American Red Cross in Washington, in the boardroom. Incidentally, they had fleas in their rug, because the rug extended just under my feet, and I began to realize that something was biting. I looked down, and there they were. Anyway, it didn't add to the meeting and made me feel sorry for the Red Cross, as if they needed to have an exterminator.

But at any rate, Dick was making a report about his committee. It was the first time I realized that either Verity had gotten the word that nothing was to come out of this committee or he personally wasn't comfortable in presiding over what might be a discussion of varying views. When Dick had made his report, which had these two pieces in it, I said to Dick, "If you'll move those two things, I will second them," and just as I was saying it to Dick, Bill Verity said, "Now, we aren't going to make any motions today. We aren't going to have any decisions made today. We're going to talk about this sort of thing for a while." This was halfway through the year, and we very definitely got the message that here was a committee that had worked, thought they brought something in, and the chairman was saying, "No, fellas, we aren't going to do that."

The next meeting that we had, as I recall, was in Wichita. It was not in Washington. And Leon Sullivan and John Gardner and Dick Lyman and I, and several other people, although I was not part of the initial group because they had physically met someplace on the East Coast, were taking a stand. Verity had hired somebody who was going to write a report to give to the president, and what we were saying was, "What's going to be in the report? Is it just going to be a nice story about what's gone on for the year, because no action is being recommended."

The only action that came out was a recommendation that the president should appoint an advisory group on private sector initiatives and that that group should continue to function with liaison to the White House. Another committee had to do with government divisions. For example, HEW should make an effort to involve more private sector liaisons. Those government people weren't very happy to hear about that sort of thing. They had enough of a job to do. They didn't want to have to go out and have volunteers come in and talk with them or begin to tell them what ought to be happening.

But a lot of the recommendations were really quite good. There was a media group. Ellen Sulzberger Straus was on that subcommittee. She was recommending that there be an ongoing media attempt to talk about volunteerism and how important it

was. There was a volunteer committee, which had to do with awards, and out of that has come an annual award that the president has made to those corporations, individuals, and so forth. There even was a flag that was made up for those corporations that were doing a better job of involving volunteers.

Morris: Like the old E-flags during World War II?

Luttgens: I think they had a "P" on it, for private sector initiatives.

Morris: Not "V" for volunteers?

Luttgens: No, I think it was the same thing, that they had a "P" on it for private sector initiatives.

Morris: Was Mr. Verity elected by the members of the task force, or was he given to you?

Luttgens: No, he was appointed by the president.

Morris: He was given to you. Did you have a sense that he was close to, or had access to, Mr. Reagan?

Luttgens: Well he's now our Secretary of Commerce, and I think, again, he was somebody who was loyal to the president, who had supported him. I don't believe he was a crony. I think he was looked at as being somebody that the business community could look to and say, "He's one of ours." He did have a track record for having been involved in United Way and that sort of thing. Frank Pace was on that group, he was head of the National Executive Service Corps.

It was a fascinating group, but at the meeting where we discussed the report, Bill Verity had a mutiny on his hands, because the committee was saying, "You haven't given us time to bring in recommendations and approve them as a group. Therefore, we have no report to make." What was finally decided was that there was the one point about having an ongoing group to advise the president, and then each subcommittee would turn in its report. Each subcommittee did turn in its report. It was available to everybody on the committee. It was not approved by the total committee. I'm not sure anybody in the White House ever read it.

Continuing Presidential Advisory Group

Luttgens: I know that the ongoing staff person for the next go-around-- which I was not a part of, but Mosbacher, Verity, and there was probably one other person, were part of the next go-around. It was not Gardner or Sullivan or Lyman, or any of those people. I guess Bill Aramony was a part of that, too, from United Way, of the first group.

The staff liaison who I met with, because he came out here for an open meeting that was put on in San Francisco, was a former congressman from Pennsylvania, who was not re-elected, and the president appointed him to be this White House liaison to the ongoing group. He turned out to be a friend, a classmate, of Art Kern, general manager of KPIX. Art put on a luncheon at noontime for some of us to meet with him and talk with him about private sector initiatives.

I said to him, during the course of the lunch, "I'm sure that all of your presidential advisory group have read our report." And he looked at me in a sort of stunned fashion, and he said, "No, no." So there was very little carryover. Now, Renée Berger's paper, which I will try to dig out for you if I can find it, very much indicates that this was an idea that, I think, Michael Deaver had. That it would be a good way to make things look as if somebody was there to assist with the safety net and so forth, and a good way of getting people involved. She reiterated the same thing, because she had been staff to the task force, that when it came up to a decision time, no decisions were made. It was window-dressing, which is really too bad. I don't blame that on the president so much. I blame that on the people that are around him, that thought that both the volunteer community, the private community, and so forth could be conned into this. That advisory group went on, from year to year, with different people added.

Morris: The advisory committee?

Luttgens: Yes, on private sector initiatives. And two years ago a former classmate of mine from Stanford was appointed to it, Malcolm MacKillop, who was the senior vice president for corporate relations at PG&E. He and I met several times around it, because he wanted to be filled in. By that time, it had gotten to be sort of a lot of fun. They went to Paris for their meeting, and they talked to people internationally about what a swell job we were doing over here. I said to him, "Mac, I hope you paid your own way," and he said, "Oh yes, the administration still isn't paying for anything." People brought spouses and

met with all kinds of people in France, and it was an international private sector initiatives meeting.

As a matter of fact, somebody came over here from Mitterand's government to talk to a small group of us. We had a little luncheon that I was invited to about how Mitterand could retreat from some of his responsibilities for child care and get the private sector to pick it up. And it was my reaction that that was never going to fly, because of the whole history of how the efforts in France had occurred. It was because the flower of French manhood had been killed in the first world war, and the government had to help. To now say everything's hunky dory, and we want you, the private sector, to pick up--I just didn't think it was going to fly, because of the cultural history. It had ramifications, there was no question.

There is still a private sector initiatives advisory group. I was invited to a meeting last fall at the Queen Mary in Long Beach. It was to be a regional meeting. Rob Mosbacher called me up, asked me if I'd be on the sponsoring committee and help get people there. I said, "I can't help get people there, because I don't really know what you're doing. I'd be happy, you know, if you want to use my name as a former member of the Private Sector Initiatives Task Force." I didn't ever get there myself, and I understand they had very small attendance. So I really don't know what they're doing now, but it's still going on.

One last thing--our final meeting with the president. Again, our committee met at the Red Cross, and as I recall, the rug had been de-fleaed at that point, so it was okay. And we were to go over to the White House for lunch, and this was to be our, maybe, third lunch at the White House, and it was going to be upstairs in the state dining room, as I recall. It was the day that a man decided to take over the Washington Monument. Do you remember that?

Morris: Yes, yes.

Luttgens: Well, again I was seated next to Jim Baker at lunch, and Jim Baker had his earphone on, and this man was in the Washington Monument. They were trying to talk him down. We had been moved downstairs, in the lower level of the White House. They were very concerned that any bombs that were put off would harm the White House. So we were totally rescheduled. We were half an hour late in starting lunch. The president seemed quite calm, although rather pink-cheeked, I thought. Jim Baker would tell me, "Well, they've got all the hostages out;" he was keeping me informed. A lot of security. The thing was pulled off all

right. We were through. We shook the president's hand. We all had our pictures taken shaking his hand, and I tried to get out of Washington, D.C. to get home to San Francisco. There were barricades on all the main highways. It was absolutely nutty. You couldn't get a cab. It was a city that was under siege. It was absolutely amazing. I can understand why. I mean, there was real effort.

Morris: The guy was driving around in a pick-up truck or a van, or something like that.

Luttgens: That's right. Well, I finally got out to the airport and got on my plane, and I didn't know anymore until I got home at about nine o'clock that night and turned on the radio or the television and realized he had been killed. I must say that I had some sympathy with Washington on that because of the state that the capital was in, and so whoever was saying this was a terrible thing to do. Yes, it was, but on the other hand, one man had kept that whole city at bay for eight hours, nine hours. It was quite an experience.

So that was the end of the task force. We all received letters thanking us so much for having served and our great contributions, and so forth. I was called upon from time to time, to meet with, for example, regional heads of administration, Region IX, which I did, and would explain to them what our thoughts had been.

Morris: The regional heads?

Luttgens: Well, HEW, housing, all those--the whole Region IX administrative structure that represented the federal government. I was asked to talk at a number of places about what the Private Sector Initiatives was about, and I gave my speeches, and so on. Really still hoping that there would be some things that would come out of it. It's only looking back on it now, much later--

National Data Bank

Luttgens: Oh, I know, the other thing they voted to do. There were two recommendations that came out--one was to establish a national data bank, which I was not in favor of, and I'll tell you why. Because what they were doing without any evaluation was asking nonprofits across the country to send in projects that they had done, which would be put into a national data bank. So if we

had done a project in education in San Francisco--we could register it with the data bank. As a matter of fact, I had urged Gladys Thatcher to send in the Education Fund as a project, and she did.

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There was another meeting during that year that was of interest, and that was one that was held in July that I went back especially for. It was for middle-sized business leaders from across the country, and again there was a meeting in the White House and a lunch someplace else. But a few of us from the task force were invited to come. That was a very substantive meeting, I must say. It was with people who had middle-sized, small businesses across the country, and they had good panel members who talked about the kinds of things that they were doing in smaller communities. The people that came really were fired up. They went back to their communities wanting to be involved and wanting to do something. And I must say, that was probably the most worthwhile, because it had a purpose. It was very clearly delineated. It was exciting for people to meet the president and get his blessing, and for him to say, "I really want you to go back there and get involved in your communities and do something about the needs of the community."

Back to the data bank: the problem I had with the data bank was, as I said, that there was no evaluation of the projects. We did send in our San Francisco Education Fund, and we knew here that was a good project. But somebody could send in a project from anywhere across the country, and nobody would know whether it had worked, how well it was run, and I was very leery of it. But one of the things that came out of the committee was that there should be an ongoing data bank, and I think I voted against it. It meant that money had to be raised for it. It meant no way of really making sure they were good projects and sending this list out. To me, it becomes obsolete the day you set it up, because it's not kept up to date or complete.

Morris: The idea was that somebody in--

Luttgens: Podunk, Iowa, could say, "I want to see what is happening in education." And they'd get a readout on all the projects in education, and then Podunk, Iowa, would write to San Francisco or wherever and say, "Send me your material." In other words, it was going to be this great national exchange of projects. Well, things don't really work that way, unless you've got good evaluation and you've got a tight organization that has quite a bit, in the way of criteria, established. That's my experience.

Morris: So did the data bank ever happen?

Luttgens: It happened. I think it went on for a while. I think it finally petered out. I thought, as a good test, we should call in once a year and see if the Ed Fund was still in it. You know, because I think maybe they just sort of recycled projects. I don't know. But anyway, that was a negative, as far as I was concerned. Now, some of the positives that occurred. One was the Business Leadership Task Force.

XIX BUSINESS LEADERSHIP TASK FORCE

Bay Area Response to Government Spending Cutbacks

- Luttgens: And that [the Business Leadership Task Force] came about because Cornell Maier and I--Cornell at that time was the chair of Kaiser Aluminum--were on the Private Sector Initiatives Task Force, along with the other local person, who I don't mention too often. He was a black dentist, who is from the very conservative wing--a kind of Hoover Institution type, who was a member of the task force and never contributed anything, as far as I could figure out. He came to meetings, and he did try to sell me on some of his views, going back and forth across the country, but I never budged much, and he didn't either.
- Morris: Would that be Daniel Collins?
- Luttgens: No. This fellow is really neo-conservative, much younger than Dan Collins. No, I wouldn't say Dan was conservative.
- Morris: I didn't think so.
- Luttgens: No, I'd never met him before. He's on Lawrie [A. Lawrence] Chickering's board, as I recall, whatever they call that group. The Institute for Contemporary Studies [Dr. Henry Lucas, Jr.].
- Morris: You do know everybody in town, don't you? That's wonderful.
- Luttgens: Well, I know Lawrie because I interviewed him for the KQED board, and I must say, I was very impressed.
- Morris: Very bright.
- Luttgens: Very bright. I don't have any problems in people having differing views than I do, as long as you can discuss back and forth, which you could do with Lawrie. I didn't ever feel I

could do that with Dr. Lucas. So I never mention him when people say, "Who was on the task force from San Francisco?" because I never really got to know him very well. I just knew that his views were very different than mine.

I said to Cornell, "You know, given what we see happening, this is an opportunity for the business community to step up and take a look at some issues that are important to them and to their communities, and to leverage, not by throwing more money at them, but to take a look at ways that businesses can solve problems in a new way, see if it's possible. Do you think there's anything in that?" And Cornell said, "Well, it sounds good to me. I'll get the CEOs together if you'll work on the program."

The SRI person who I was working with on Mayor Feinstein's Fiscal Advisory Committee, Steve Waldhorn, head of their public policy department, said, "Let's see what we can design." As a matter of fact, it really started because Steve and I had lunch one day while the president's task force was going on, and he said, "What's going to happen after the end of the year?" And I said, "I haven't a clue. I can't tell you." And he said, "It's really a shame that that's all wasted."

Morris: Very high-powered bunch of people.

Luttgens: That's right. Anyway, we just started out then locally, and we had a meeting one evening between five and six. Cornell brought the wine. We were up at the top of the Bank of America. Cornell had just gone on the B of A board, and Sam Armacost was the host. And we had Jack Grey from Chevron and Tom Drohan from McKesson and Ben Biaggini from Southern Pacific, and I've forgotten who else we had. I think we had Don Guinn from Telesis. Maybe Don couldn't come. I think we had Fred Mielke from PG&E.

It was a group of about seven people, and Steve and I went through our dog-and-pony show, which was that it seemed to us that there was a need to take a look at some issues that were of importance, and so forth. We got the normal response, the business response, which is, "Aren't there organizations there that can do this? What about United Way? What about the Bay Area Council?"

Our response was, "Well, not quite in the way we want to. We want to look at new systems, to see if there are some new ways we can approach problems. We're all going to be hit with requests for major contributions, and we need to be looking at

ways to solve some of these problems that aren't just throwing more money at them."

Sam Armacost, I remember, said, "Well, you know, I'd have to know what the needs and the issues are and what the resources are before I could really make a decision on that."

We said, "We aren't talking about a lot of money. We're talking about just if you would each appoint somebody from your organization who's high enough up in the organization to have access to you, who could keep you informed, and who has also access to resources within the corporation to try and bring some expertise to bear in these various areas that we may be talking about."

Public Policy Deputies Group: Regional Approach

Morris: That was asking for a kind of in-kind brainpower and computer time, and things like that?

Luttgens: That's right. "If you would be willing to let us explore that with a group, which we will call the deputies, and come back to you in a month and tell you what they come up with, as far as the kinds of issues are concerned, are you willing to give it a try?" And I said, "Either we can just fold up tent right now, or if you think there's some value in this, let us know, and we'll go to work on it, if you'll appoint somebody in each of your organizations."

So they all said, "Yes. It's worth a try." Jack Grey called me two days later and said, "I would like to play a leadership role in this," which, of course, was just wonderful. I've known Jack for a long time. Actually, he was head hasher when I was a freshman at Roble Hall at Stanford, and I had known him through United Way and some other activities. He gave me an office down at Chevron and an identification badge so that I could get in and out without having to go through the security all the time--one of those picture things. He assigned Barry Lastra, who was head of contributions, to work with Steve and me.

Well, Barry turned out to be absolutely marvelous. He and Steve and I kicked off the design of the first meeting. Jack sent out letters more broadly, to see if there were additional corporations that would like to be involved, asking them to appoint a deputy. We ended up with fourteen corporations, here

and in the East Bay. We decided to be regional. We did not go down the Peninsula, because we thought that would be difficult. This is in 1982, early in 1982.

Morris: And Steve Waldhorn had some time that he could give to this?

Luttgens: Well, it's part of his job. It's public policy for SRI, and of course, what he got out of it was a contract for sixty thousand dollars a year. Each corporation put in five thousand dollars. that's all it cost them, except for their staff time that they assigned, and Steve provided all kinds of resources, because they've got so many people. You know, they've got three thousand people down there at SRI, so if we wanted to know about demography, we'd get one person. If we wanted to know about child care, we'd get somebody else--health, somebody else.

What we designed was the first meeting of the deputies. Each CEO appointed a deputy. No money had been discussed yet. We're still in the pro bono stage, you see, until we pass the first month's muster to see whether anything's going to fly or not. The people who were appointed were all over the lot. There were some foundation executives--Ed Truschke from the B of A and Marcia Argyris from McKesson. Malcolm MacKillop, who I mentioned earlier, who was senior vice president of corporate relations at PG&E. We had Barry, who was head of contributions for Chevron. From Telesis, we had Lee Cox.

We had Ira Hirschfield from Levi Strauss. We had TransAmerica after a while. We didn't get TransAmerica originally, because Jim Harvey was chairing the chamber of commerce, and the chamber was very threatened. The chamber thought we were trying to take over their turf, as did Joe Valentine, as did Angelo Siracusa. So I interviewed Joe, and Joe said, "Well, you know, we ought to be doing this." And I said, "Joe, you ought to be, but you can't. You aren't ready to do it yet. Come on and join with us at the deputy level, be part of it, and pick up what you want out of the projects. We're not going to administer projects."

Morris: Did you hear that these guys were feeling threatened, or did you sense it and go see them?

Luttgens: We sensed it and went and talked to them. We did the same thing with Angie Siracusa, head of Bay Area Council. Angie took a very dim view of the thing, originally. They turned out to be our biggest boosters in the end, both Angie and Joe. They were the only two additional people who joined the deputies' group. They didn't have representation on the CEO group. Our first very tricky meeting, I've forgotten where we met, probably

Chevron, because Barry supplied most of the meeting spaces. Barry was wonderful to work with. He got into his office early, and I'm available from seven o'clock on if I'm really working on a project, so we would talk at seven-thirty in the morning about whatever had to be done. I really didn't have to do much but lead, which was terrific. We found we didn't use the office at Chevron very much. It was right around the corner from the executive offices, but I'd go there from time to time. We didn't use it regularly. I'd worked out of here, really, because of the time factor. Once in a while we would have a small meeting there.

Morris: Before-business-hours and after-business-hours kind of thing. And lunch.

Luttgens: Yes, that's right. And lunch. The first meeting of the deputies was to look at issues, and we asked them all to put their issues out--what they thought was most important for their community and their businesses. They ranged all over the lot. Education was one; aging was one. Child care was another. Health, particularly health care for employees with costs getting totally out of hand. Summer youth employment was recommended.

We had a very bright young woman, Sandra Puncsak, who was Cornell Maier's administrative assistant. She was very good. She made such an impression on the people from Pac Bell that they hired her away from Kaiser Aluminum. It was the first time that she had been let out into the community, so to speak, and she had a ball. Sandra married somebody at Kaiser, who was head of their human resources during this time. They're both now in Dallas, where he's working for a bank and she's working for DART, which is the Dallas equivalent of BART. I hear from her once in a while, because they want to come back to the Bay Area, both of them. So there were connections made. There was a camaraderie around the table with people who hadn't worked together collaboratively before.

We put all these issues up, and my job, which I'm pretty good at, was to sense who seemed to be most interested in each one of these areas. So when we took a ten-minute break in the middle of the morning, I politicked around, and I said to Mac MacKillop, "Mac, would you chair the group on aging? That sounded like something you really were interested in." And somebody else, "Would you chair the regional youth employment one," and somebody else-- You see, we were talking about summer youth employment. We knew there were entities already there--mayors' committees from each one of the communities. But what was needed was a regional approach to it, because everything

that was going to happen in the media was going out regionally, over television, over radio, and in print. What we needed was to get the local mayors' summer youth programs to work together so they could maximize what they were doing in their own community and plug into a broader push.

Setting Priorities: Media Support

Morris: When you say what was going out through the media, you mean that this task force developed a media program?

Luttgens: Everybody was trying to get media support for summer youth employment, to get the jobs developed and the kids in. But they weren't getting it, because it was targeted for San Francisco or San Jose or East Bay, and what the media wanted was something they could talk about that was regional. The companies are regional: PG&E, Chevron, and so forth. They don't just operate in Alameda and San Francisco. So it was a win-win for both situations.

Child care was something that we all thought was fairly important. Health care cost containment, we knew, was tough, but we thought it belonged there. Anyway, the deputies were assigned in groups of two or three. They were asked, with the help of SRI, to develop what they thought we might be able to do, that was doable in each one of these areas. And also to take the temperature of what was out there already. In doing that, we found, for example, that there were so many groups working in education that they didn't need us. There was a statewide task force that Cornell was very involved in, and there were local groups like the Ed Fund, and so forth. So we put that very low on our priorities.

We had another meeting--the deputies--just before the CEO meeting, where we put down what we thought, in our priorities, were most important for the corporations, for the community. We had health care cost containment at the top of the list. We had regional summer youth employment partway down. We had child care fairly high up. I've forgotten what else was there. We had six or seven items. I have the reports from our first year, second year, and so forth.

We took it to the CEOs. Jack Grey, Barry, and I met before the meeting, so we knew pretty much how that meeting was going to go. The CEOs met from five to six p.m. atop the Chevron building, got everybody there, served coffee and cookies, as I

recall, and that turned out to be our best pattern--to meet between five and six. Each CEO was briefed by his deputy before he came to the meeting, so he knew what was on the agenda, knew what we were going to suggest. And they came in ready to act, and what they did very wisely, I think, was say, "Health care cost containment is such a big ball of wax. Keep working on it, but put it further down on the priority list. What you need is something that's win-win to begin with. Regional youth employment is the thing to go with now. Go with it."

We got KPIX interested. They did awards for the corporations, large, medium, and small, who did the best job of developing jobs and bringing students in and training them, and so forth. We had instant media. Len Schlosser was absolutely wonderful. He got interested in it as a project. National Alliance of Business, NAB, was doing something along these lines, and they were nattering around on the fringes. We eventually tried to turn youth employment over to them, because we did not see ourselves as an action group, but as a catalyst group that would draw attention to an area, point out some of the possibilities, and then turn it over to somebody who could do something about it.

NAB never really came through for us. Marcia Argyris of McKesson was particularly interested. She got tired of waiting for something to happen, so she just took some money from her foundation budget and paid for some young people to be trained to work in nonprofits. So McKesson trained them and turned them over to the nonprofits. Chevron said, "Boy, that's a great idea. We really need to do something like that." So they put about three times as much money into doing the same thing in Richmond, doing three times as many people.

Morris: Training high school kids for summer jobs?

Luttgens: For jobs. A lot of it was early work experience: how you get a job, how you turn up for the interview. It was super. It was absolutely great. San Jose got interested, although we were only East Bay and San Francisco. They said, "Listen, you're beaming down to the Peninsula." So we put on a workshop and had San Jose people there and San Mateo people there, about the advantages of some of the federal legislation which would give corporations a break if the young person was from a disadvantaged family, which a lot of them didn't know about. That was a plus. The only problem was, we had somebody from one of the big accounting firms who was duller than dishwater. So when they did it the second year, they got somebody who was more lively. But it had a big attendance. PG&E gave the auditorium space for it.

- Morris: Now this is to recruit youngsters to take the program or to do the training?
- Luttgens: To recruit jobs and to recruit kids, and to match them.
- Morris: And this, am I right, was a summer training program?
- Luttgens: Summer training program. Summer internship.
- Morris: That sort of hits a whole row of bases all at once.
- Luttgens: No question about it. The PICs [Private Industry Councils] are involved in this. I always have trouble knowing where the PIC responsibility started and the BLTF responsibility ended. There was some overlap, and Eunice Elton, PIC president in San Francisco, and I talked about it a lot. It's too complicated to go into, but we worked fairly well together. We served as sort of an enhancer to everything else that was going on. Dianne Feinstein and [Oakland mayor Lionel] Wilson got together for the first time to kick off the summer youth program. I mean, that had never happened before. Now, I think [San Francisco mayor] Art Agnos has quite a different view. There was a committee from each one of these areas that started planning for the following year. They had never done this regionally.
- Morris: In other words, it was never a vote that the month was up, we need to decide to go on, it just continued to build up momentum?
- Luttgens: It would start out about June of each year from ground zero again, and what we established was a committee that was headed by Cornell's assistant, Sandra, who had pulled these people together as soon as the one year was over and said, "Okay, how do we proceed for next year?" So there was some continuity to the program, which was great. Anyway, that was a big plus.

Now, President Reagan was giving out awards for good programs, and the fellow who was working the Private Sector Initiatives from the White House, who was out here for the meeting that I mentioned earlier, when he heard about the summer youth employment that BLTF had done, and that KPIX had been involved in, because this was his former classmate, Art Kern said, "I think the president would like to have something special on KPIX about that, telling you what a good job you did." And we said, "Fine, can you pull it off?" And he said, "Yup, I can pull it off."

So it turned out to be a canned message, but it was for the Bay Area, and it was targeted for here. Art called me, since he was not a part of BLTF, and said, "How do we describe BLTF?"

And I said, "You don't. BLTF was only the factor that was able to get the thing moving. What you have--you have a mayor's committee in San Francisco, you have a mayor's committee in Oakland, you have a mayor's committee in San Jose. They're the ones that need to get the credit, because they're the ones that are going to be there next year doing the same thing." So that's what they did. And the president came on. It was a very nice video and gave the mayors' committees all kinds of credit and did a little plug for KPIX. So again, it was an example of several interrelationships working for something positive.

Catalyst for Health Care and Child Care

Luttgens: Anyway, we continued our groups on other activities. We had looked at child care originally and then aging. It was hard to get a handle on the aging thing, but Hadley Hall, who was at Home Health Services, called me and said he wondered if BLTF and I in particular, because of my foundation hat, my United Way hat, would call some people together to take a look at adult day health care. He felt there was an opportunity with adult day health care. There was a receptivity from the agencies that were already there, and there was some Sacramento money that could be expanded comfortably without people feeling something was being taken away from them. And I said, "Hadley, there is no way with what we're doing with BLTF (because I was spending quite a bit of time on it) that we can develop that for you. But the person that ought to do it is Adele Corvin who has a foundation hat, who has a United Way hat, and can use their auspices."

So I really feel a little instrumental in directing that to Adele, who has done an absolutely superb job, and we have a whole new resource for the San Francisco area that is just something to be really looked at, and of course, United Way has gotten a lot of credit for it, too. But it came about because Hadley had heard about BLTF and heard that one of our areas of interest was aging, and he probably would have found United Way anyhow, but I like to think that BLTF had a little something to do with that.

We had looked at that originally, and the CEOs said, "Oh, we're not going to get into *that*. That means a certain segment of the employee population would get something, and the others wouldn't." Jack Grey at Chevron, in particular, didn't think that that was an area they wanted to get into.

After we'd been in business for about six months, John Place, who was chairman of Crocker at the time, had a son who became interested in running a proprietary child care agency in

the East. And John raised the question again. He said, "I think this is going to be a major issue, certainly from the bank's standpoint. We have tellers who have children, families, and so forth. I think it's a major issue, and we ought to look at it."

So, the rest of the fellows, said, "Well, okay, you can look at it." We put on a conference at PG&E, and we used part of the Bechtel meeting space across the street to shuttle back and forth, because we had so many sessions. We had people from IBM in New York. It was not really a national conference, but we did bring in some people who had had experience. It was for business people. We invited all the local businesses up and down the peninsula and the Bay Area to come. We had a terrific turnout. We had a super meeting. We had good materials for them, and the task force got really interested in it. The Business Leadership Task Force.

Out of that, three years later, has come this committee, which United Way picked up on, that I served on, that I didn't want to serve on, but John Place at that point was president of the United Way and was appointing the task force. They got Carl Leonard from Morrison and Foerster to chair it. They have Julie Krevans, Chancellor of UCSF, Lucile Packard from the Packard Foundation, the postmaster general from Alameda County, the head of the union that services the airport. Janet Brown, who is a small business representative on the Chamber of Commerce/Supervisor board. Nancy Walker, who you know feels strongly about child care. It is very interesting group. I was sort of bored during the first part of the committee sessions, because they started out where BLTF started out. We had all the same materials. It was a consensus-building kind of thing.

But they have ended up forming a Business Child Care Coalition. Carl Leonard chaired the effort until this last year, when Gary Thompson at Ketchum Advertising has taken over as chair. Gary's been quite taken with the whole thing, from a media standpoint. They've just reconstituted the steering committee, so I've gone off, because I said, "Number one, the Business Leadership Task Force really isn't viable at this point, and you need to spread out and bring some people who are really in business onto the board." Which is what they've done. They've got the personnel director from KRON, who's very interested. She wants to give some media support to it. And they now have sixty businesses that have enrolled, and what they're doing is they're raising consciousness. They are asking, if you're doing so much--if you're providing information and referral, can you do a little bit more? If you're not doing anything, can you do information and referral? If you're doing

a lot, like Levi Strauss is, what's the next thing? So they're not pointing the finger at anybody and saying, "You aren't doing anything." They're telling them what the options are.

Morris: And offering an incremental approach.

Luttgens: Yes, and it's great. They're very enthusiastic, and it's a major issue. It's a political issue.

XX FURTHER THOUGHTS ON FAMILY FOUNDATIONS; COUNCIL ON
FOUNDATIONS

[Interview 8: October 4, 1988]###

- Morris: Last week, you mentioned Michael Deaver's general attitude towards the President's Task Force on Private Sector Initiatives. You also said Ed Meese was present at most of the meetings, and you had some concerns about what he thought about the task force. Could you say a little bit more about that?
- Luttgens: Well, they didn't ever contribute anything, and they were not present at meetings of the task force. They were present at luncheons that followed the task force, and the initial breakfast, they were a part of, but I wouldn't say they had much of an impact as far as the task force was concerned. I believe that, and I think you'll see from the Renée Berger paper, there was a feeling of not taking the task force very seriously, but using it as, I would say, window-dressing for the president's sincere desire to have stronger relationships with the private sector.
- Morris: You also said that you mentioned your acquaintance with William French Smith, and the president did not respond. Do you suppose that would be because he didn't hear? There have been recurring comments that he might be deaf.
- Luttgens: Could have been. You're absolutely right, Gaby, and I had not thought of that before. It could very well be that he simply saw me mouthing something, and it wasn't that it didn't register. He didn't hear it. I think that's very possible.
- Morris: How had you gotten to know William French Smith? He's a southern California fellow.
- Luttgens: Well, he married a friend of mine, Jean Webb, later Jean Vaughan and lived here in San Francisco. She had been the national president of the Association of Junior Leagues, and I had seen

her during that period, and then again when she and George Vaughan lived in San Francisco. He had been, I believe, Undersecretary of the Army--I've forgotten which administration --and died very suddenly of a massive coronary, I believe. She had stayed on here in San Francisco, and had been a friend and advisor to the Junior League when I was president, and then later married William French Smith. She was from southern California originally. When Jean and Bill were married, she went to live in southern California; but Bill served on the Pacific Telephone board and serves there again, now that he's returned from being attorney general. He also served on the Crocker Bank board, but he had gone by the time I went on that board. I would see them at official telephone company functions.

Morris: Was he interested in some of the same social concerns and initiatives as you were?

Luttgens: I don't believe so. I think he was one of a number of cabinet officers who was asked by the president to try to develop private sector relationships as a result of the task force, but I really have never discussed it with him.

Morris: I was thinking about on the Pacific Telephone board.

Luttgens: I don't think that was a particular interest of his.

Morris: The other person that we mentioned, that you speak of with affection, is Lucile Packard, and since we were not able to interview her, could you tell us a little bit more about her ideas on philanthropy and things you may have worked on together.

Luttgens: Well, I first met Lucile when we were putting together a trustee committee. Actually, I met her years and years ago up at Fallen Leaf Lake. She and David Packard had a house up there, and Caroline Charles had introduced me to them, and to her in particular, because I would see her when I would go up there for the summer occasionally.

When I put together a trustee committee here in San Francisco and the Bay Area, for the Northern California Grantmakers, which I did about eight years ago, it was the first time we had ever had a trustee committee. Lucile was a member of that group. We put on one function a year, for trustees only. The first function we put on was John Nason talking to us about his book, which he had just completed.

Morris: On trustee responsibilities?

Luttgens: On trustees, yes, *Trustees and the Future of Foundations*. As you know, he has just revised that. I haven't seen the revised version yet, but it is available this year, I guess, is just now available. Anyway, Lucile served as a member of that group, and each of us on the trustee committee came back the following year, and the following year, and the following year. We did a series of panel workshops, and she was very gracious in agreeing to serve on the panels. A couple of times I was with her on a panel discussing trustee responsibilities, and she was very articulate in a quiet way.

We did differ on a couple of things, one being that, as a major donor to her own foundation, she liked to have very hands-on experience with the grantees, and, of course, I, coming from a quite different situation at the Rosenberg Foundation, where everything was filtered through staff, felt it was not necessary for trustees to have that face-to-face meeting with donees. So we would differ on that, when called upon, in panels, and it was appropriate in her situation. I believe it was appropriate in mine, too.

Then, when I was going off the Council on Foundations board, Lucile was invited to come on as a board member, and I was asked to call her and urge her to undertake that responsibility. The feeling within the staff at her foundation was that she wouldn't do it. She would turn it down unless somebody particularly felt that she could make a contribution. So I did call her, and again, she was very modest. She was always very modest about what she did, and yet she was a real leader. There was no question about it. She did go on the council board. She became vice chair of the board, actually, and was a good spokesperson for family foundations, for her own viewpoints. She always did it in a very modest and unassuming way, but behind it, you knew, was real conviction, and so I just was very fond of her and everything she stood for.

Once I joined the Walter S. Johnson Foundation, which is a family foundation as well, as a trustee--I'm the only non-family trustee, except for Joe DiMaria, who had been so close to Mr. Johnson that I always felt he was like family--I could understand some of the differences between a family foundation, and how it operates, and an independent foundation. So I just was very touched by Lucile, and what she did, and how she did it, and the magnitude of what they accomplished. She was the main driving force at the David and Lucile Packard Foundation, as I understand it.

Morris: In getting the decision made to start a foundation?

- Luttgens: I don't know about that, because I'm not close to that. I think Cole Wilbur, or somebody else, or David Packard himself would be much more appropriate to comment on that, but in the style of the foundation--how it operated, their fields of interests--I think all of those things were greatly influenced by Lucile.
- Morris: Did she talk at all with you about the feelings about a family foundation?
- Luttgens: No. She didn't. The kinds of things that she would say, in these panel workshops, are what contribute to my impression of how everything worked.
- Morris: On the business that she was reluctant to join the Council on Foundations board: was that because it was a national scope, and she thought of herself primarily with more regional interests?
- Luttgens: No, I don't think it was that as much, because she was on the board of Wolf Trap at that time. I think it was, was it going to be the best use of her time to undertake being involved in an organization like this? The council seems very remote to those of us here in a local jurisdiction. It isn't until you get involved in the workings of the council that you realize the kinds of leadership it presents for local foundations.
- Morris: That's an interesting point, I think. Has that been something that the Council on Foundations has worked on in recent years?
- Luttgens: I think they've downplayed it. They've worked on their impact in Washington, as far as possible legislation is concerned, and they have offered to be of help to local regional associations, but, to my mind, they have not played up the real leadership role I think they provide across the country for foundations.
- Morris: Is that an area of some tension?
- Luttgens: Well, yes, I think they've always been cautious that they weren't seen as directing the regional associations. They were very much grassroots developments in almost every area where regional associations have grown up, and the council has tiptoed around that a bit.
- Morris: In some organizations, the national body has felt that it was a positive thing to encourage regional organizations to develop.
- Luttgens: I think it is, and I know of just a couple more regional associations forming, so I think, given time, that will not be as tense. It's not that tense any more. It's just that there is a little caution in not acting. I mean, even the title

"Council on Foundations" says something. It says it is a council for foundations coming together. The foundation people are very independent, as you know. They're very proud, and they don't want to feel as if they are directed by a central body or that they are an auxiliary of a central body. I think those things are in the mix.

XXI CORPORATE VIS-A-VIS NONPROFIT BOARDS

Changes in Corporate Giving Programs

Morris: The other thing we wanted to talk about this morning was your work on corporate boards. We've talked about it on tape, but I don't think that we got into too much detail.

Luttgens: I think it depends on what you're interested in, Gaby, because, you know, I don't know how you see that it pertains to what the oral history is about.

Morris: Well, from the outside it looks as if it was your position as a community leader that interested corporations in inviting you to come on their board. And where I would go with that is, any changes you observed as a corporate director, in corporate community policies and giving policies and things of that sort.

Luttgens: Okay. I think I said before, when we initially spoke about this, that I do believe that that was the way I gained visibility, which is why I was invited on the first board fifteen years ago. But I'd like to sort of separate that out. It's the gaining visibility part that makes it possible for people who are not part of the corporate mainstream to become part of it, whether it's an Hispanic who is a leader in a particular way, a woman who's president of a university, somebody who is president of a company--although that in itself sets up some conflicts.

So it's the visibility and the knowledge of the leadership qualities and the judgment that I believe go into that selection. There are not a lot of women community leaders who are on boards, and I don't think that there will be a lot in the future. I think, as I said before, there are enough women in the managerial pipeline in business that they can become visible in that way and be selected.

As far as giving programs are concerned, I do believe that there has been a great deal of change in corporate contributions and corporate foundations. Before, I believe, it was seen as something that was delegated to a secretary who was retiring, who had been in the company for a long time, where no decisions would be made by that person. But it would be a pretty routine arrangement, where the funding was provided for a number of organizations that served the general good. I think that has changed, part of it being the enormous number of requests that have been coming to corporations--the feeling that there is a deep pockets place where social agencies can come, where change can take place.

I believe now there's a lot more focusing on what it is that the corporation wants to do, the kinds of giving that may enhance what it is they do from a business standpoint, which I don't have any problem with, and a general increase in knowledge of needs and resources, rather than a knee-jerk response to a request. So I think that has changed, part of it as a result of the magnitude of requests that are coming to them, and partially, because although their giving has increased, it's not limitless. They feel a real responsibility to do the best they can.

Now, there are some gadflies, like Evelyn Y. Davis, who brings shareholder proposals from time to time about not giving anything at all--that all the money is shareholders' money, and none of it should be distributed to any social agencies. I think there have been enough studies done that indicate that shareholders in general don't feel that way. It's the point of a particular gadfly, as I recall. So there's that, and then there are also shareholder proposals that you should not make any contributions to a university that has, as faculty, any leftist professors at all.

Morris: Really, still?

Luttgens: Yes, there are still shareholder proposals coming in on that from time to time. So you're getting into some real First Amendment issues that I find interesting, and I have been receiving the IRRC [Investor Responsibility Research Center] materials as a result of my involvement at the Rosenberg Foundation. I read the shareholder proposals, and I'm interested in the trends and the kinds of things that I see occurring. At Rosenberg, we do study the proxy proposals through staff, and actually, through our financial advisor now, who is taking a look at that sort of thing, too. We have, a couple of times, written letters saying that although we differed with management's reasoning, we were not going to vote

for a shareholder proposal. Mostly, they're not well-designed to accomplish what it is they want to accomplish, even though we might be sympathetic to the purpose.

Morris: Right, similar to initiatives in the political world?

Luttgens: That's right, yes.

Morris: In relation to the increase in requests: is it a larger increase of requests to corporations than to foundations? Has there been a similar increase in requests, say, to the Rosenberg Foundation, in the years that you've seen an increase?

Luttgens: I don't think that much. I've asked Kirke that from time to time, in our meetings, when he gives us the project proposals denied, and I don't believe that they have increased. There's been some increase, but I don't think it's been a deluge. I think part of the reason why there has been an increase with the corporations is the corporations are more open about their giving.

Twenty years ago, it was pretty hard to find out that corporations were giving anything. I think it was Hewlett-Packard that first published in its annual report a piece about its annual giving program, its support of corporate volunteers. Xerox, of course, did that early on, but it was minimal. It was hidden. They didn't want anybody to know. They didn't want to deal with proposals in a massive way, is my impression. And that's changed. Now, most of them publish a report on their community activities. They have a separate--not a listing of where they've given money, but the areas they give to, guidelines on how to apply. All of those are just plain good foundation procedures.

Morris: Now is this giving programs within the corporate structure, or is this a separate corporation?

Luttgens: Well, there are two kinds, as you know. Either the corporate foundation or the corporate contribution program, and generally, it's the foundation that publishes guidelines. The corporate giving programs, still, they would like to have some protection on, I believe.

Morris: Did you look for ways to express some of these concerns and make suggestions on good foundation procedure in your work on the corporate boards?

Luttgens: Yes, I have had an opportunity to discuss some of that, but I've stayed away from the allocation process, because that's not my role. But procedures, I think, are appropriate, and, as a

matter of fact, we have a corporate public policy committee that I chair at two of the corporations, McKesson and Telesis. The gross amount of contribution is approved by the public policy committee, which takes it to the board for approval. In other words, the gross contribution amount for the foundation or giving program for the year.

But as far as individual grants, we have nothing to do with that. Those are made by an internal contributions committee that's made up of employees or corporate foundation trustees. Very few corporate foundations have outside people on their grant committees. I think Levi Strauss is an exception. I believe they have a couple of people. From a national standpoint, there may be others, but to my knowledge, it's mostly an internal process.

Morris: Even if it's a foundation structure.

Luttgens: I don't have any problem with that, as long as staff has done a good job of researching and is responsive to the policy direction of the foundation board. I think that's good practice. It's an interesting process, and I guess what I was going to mention is that on one of these corporate public policy committees, at one time, we had a member who questioned a gift to a particular organization and said that there was another one a lot better in the same field.

I felt impelled to say, "I don't think that's our role. You can point out that perhaps they should investigate another, but as far as changing an allocation--" Certainly, we needed his knowledge, but we needed it before something happened, before an allocation was made from a general standpoint, and should then allow the staff to make the decision as they saw it. In other words, not to second-guess staff. If you start undermining staff, going over staff's head, trustee to trustee, I think you really undermine what staff is doing. You say to staff, I don't have any confidence in your decisions. My decisions are better than yours. Whereas in most cases, they aren't, because as a trustee, I'm not working full-time at it, and staff is.

Morris: But individual board members, as trustees, can have knowledge about specific aspects of what's going on in terms of the organization of an applicant.

Luttgens: I think they could be called upon to either suggest an area that is needed in the community, if you're talking California, and it's somebody who is in Los Angeles, as opposed to San Francisco. They may have special knowledge that would be

helpful. But by and large, I'm an advocate of trustees hands-offing on staff work, except from a directive policy standpoint and final approval.

Increased Social Responsibility

Morris: Listening to your discussion last week of the Business Leaders' Task Force, it struck me that at least in those business leaders, there seems to be a definite feeling of social responsibility, and I'm not quite clear how that relates to the hardheaded businessman who looks at the bottom line.

Luttgens: That probably has changed, too, Gaby. I think that the general impression originally was that the CEO and his wife, depending on her particular interests, influenced the giving. I think there is a much escalated feeling that company contributions, whether it be through a foundation or a straight giving program, need to be as informed as everything else they do. Look at the vice president who is in charge of contributions in two or three of our corporations. It's not something that's way down below middle management. It's elevated in the corporate structure, as a much more important area.

Morris: Than it was fifteen years ago when you moved into the corporate world?

Luttgens: I would say so. It's more than just blessing the United Way, although there's still a lot of support for that, obviously. But it's, "What is it we're trying to accomplish in our giving program? If we're trying to reach a minority population, are we recognizing that they have some agencies that need some help?" And that's self-interest to a certain extent for the business, but, at the same time, it's also bringing into the mainstream some areas that perhaps aren't getting as much support as they have in the past. So I think it's greatly broadened over the years.

Asset Management

Morris: How about last fall, when the stock market did its celebrated drop. Did that have an impact on any corporate decisions on what would go into their giving program or the amount that would go into the giving programs?

- Luttgens: I think it probably did have some limiting effect, but I didn't see anything major on it. I think the area of much more concern was in the pension funds, which were heavily into equities, but, even there, I think many of the money managers, because stocks were overpriced, had cut back somewhat on their stock portfolio. We saw a drop at Rosenberg. We saw a drop at the Walter S. Johnson Foundation. By the end of the year, it was almost back to where it had been at the beginning of the year. Now granted, there had been a big run-up over the summer before that dropped. That was not regained, but as far as the amount of giving, it really wasn't that much of an impact.
- Morris: Did you find that the corporate experience was helpful back at the foundations, in terms of their investment policies?
- Luttgens: Yes. Right now, as a matter of fact, at both Johnson and Rosenberg, we're looking at our asset mix, whether we use hard or soft dollars, a lot of the decisions that businesses have to be looking at. Because I serve on the pension and savings plan committee at Telesis, I have had access to how they operate and how they view the asset mix, and so on. So I think that's been helpful to me, to pass on, but also we've tried bringing businesspeople onto foundation boards. A businessperson will replace me at the Johnson Foundation when I leave at the end of this month. We brought two businesspeople on the Rosenberg Foundation board, so that has been a valuable resource, a way of thinking.
- Morris: Actually using their expertise in terms of the foundations' investments?
- Luttgens: No, and I'll need to make that clear. They aren't being used as professionals, but they are people who have professional business experience, so they're coming from a little bit different place than somebody who has been totally community or academic.
- Morris: So that the actual managing of the portfolio is done by an outside consultant?
- Luttgens: Oh, yes, in both cases, so that that is not a case of using their professional expertise in that way, but simply their general business experience.
- Morris: I guess I was startled to listen to the new head of the Kaiser Family Foundation speaking last spring about what sounded to me like a very aggressive kind of asset management. He had a long term planning consultant and then a short-term investment

counselor, and I wondered if that is becoming the custom amongst foundations, too.

Luttgens: No, I found that startling, too, Gaby. The other startling thing I found, which may or may not be a trend--it's interesting--was that that foundation's trustees were not making any grant decisions. Did you pick that up?

Morris: The investment people?

Luttgens: No, that their board was delineating policy and areas that they wanted to go into. I'd have to look back at my notes from that meeting. You could check it yourself. It's my impression that the trustees weren't making any grant decisions.

Morris: Well, it sounded like the new president was definitely a strong person and was taking a lot of decisions.

Luttgens: That's right, and I guess I would like to watch that, and that might fall into your category of "future of foundations." I don't think that's going to be a big trend for small foundations. Trustees are going to continue to want to have a close relationship to the kinds of granting and actual grant decisions, but he's running that on the model of a corporation.

Foundation Staff-Trustee Relations##

Morris: We were saying that he had described having some fairly stern rules that he was negotiating from in how he wanted to be allowed to run the show, and I wondered if that is an area of discussion amongst foundations. You know, how strong should the executive be in relation to the policy board?

Luttgens: It's not been a subject of discussion at Rosenberg. It has been a subject at the Walter S. Johnson Foundation, because there is the feeling that that board should be run by the family members and invited outside board members. They haven't quite shaken down their board-staff relationship. There is a feeling of, "Don't forget this is our foundation, even though we have staff working for us."

I'm not comfortable with that. I think you get the best staff work when you clearly indicate staff responsibility, board responsibility, and then keep out of the other's territory. The staff there is very good and understands the staff role. I'm not sure that the family members totally understand the value

they can get by clearly delineating their role and sticking to it. Time and experience may improve that.

Morris: It would seem to me that the other side of that coin is that it would also be easy for trustees to get sort of insulated and encapsulated, by staying too far away from staff and not having too much contact in between trustee meetings.

Luttgens: I guess that's true. We count on Kirke at Rosenberg to bring us proposals that, in his best judgment, fit the policy areas that we think the foundation should be in, within the financial guidelines that we've adopted for the year. We don't take every proposal that he brings to us. There are times when we just don't feel that one proposal is as good or will accomplish as much as another. But by and large, his recommendations are adopted. I think we would make a change if we didn't think he was doing what we wanted. But we think he's a terrific executive.

What's happening at the Johnson Foundation is, as they're bringing the grandchildren on, and there's a big educational gap to be closed, they have established a grants committee, where the grandchildren, largely, meet and review grants early on. It's being a terrific educational experience for them. It gives them a status, as far as the rest of the board is concerned, because they have gone in-depth into these proposals, before it comes to the board.

Morris: Before it's prepared and developed into an actual docket for the board.

Luttgens: Both ways. In other words, on an inquiry basis and also on a "this is what the staff is working on" basis. In some cases, they've gone out on site visits with staff, and so I think that's a very good way to bring newer members, who aren't familiar with the foundation, up to speed.

Foundation Finance Committees

Morris: The annual financial guidelines: are those developed by the investment committee?

Luttgens: Yes, we call it a finance committee as far as the Rosenberg Foundation is concerned, and it's a financial policies committee. I've served on it, I guess, almost since I've been on the board and was chairman of it when I was treasurer. It

doesn't need to be chaired by the treasurer, but it seems to work well, because he or she really is responsible for the financial aspect of the foundation. We, with staff, draw up a budget.

First of all, we adopt the grants budget amount. Well, we have to look at what our income is going to be. You have to determine the amount of investment income available, and then decide how much of that is going to be allocated. How much must go into administrative costs, of course, and how much has to be paid out, by law. We've always paid out as much or more than was needed to be paid out. Out of all that comes a number, and it's been, I guess, a million-one this year for grants at Rosenberg, or was for '88. We do that the first of the year and then work against it all year long.

Johnson's process is pretty much a staff-directed process, with some trustee input at the board. Now, they've established a finance committee, so it may be that they'll start running that through the finance committee. That Johnson Foundation board was pretty much run by the chairman, because there wasn't a committee structure. That now is changing, and I think it's a very healthy thing. First of all, it spreads the responsibility, so that the chairman doesn't have to do everything, and it also provides a way for other board members to feel invested in the foundation.

Morris: And to test out their potential.

Luttgens: Yes. I think it's a very healthy process, so Johnson now has a finance committee, a nominating committee, a grants committee, and I think that's all. Finance will be also a personnel committee, which will decide salaries, which is the same as the financial policies committee for Rosenberg--it also looks at salaries and makes recommendations.

Morris: Early on, was that financial policy role considered unusual, to have a woman taking that kind of a role in becoming treasurer?

Luttgens: I don't believe they had had a woman chair it before. I don't think they had had a woman treasurer. They always looked to the men, but I don't think it's that unusual now. I mean, the Rosenberg Foundation is a very forward-looking foundation as to abilities of all the board members.

Women's Role

- Morris: I guess I was thinking that you and I take it for granted that a woman's place is in the House or the Senate or the corporate boardroom, but for many people that's not true. The question is whether you have to lobby for that kind of a spot.
- Luttgens: No. There was no lobbying for it. Actually, Herma Hill Kay, who was chairman, asked me if I would be treasurer.
- Morris: That's a woman as president.
- Luttgens: That's right. When I was president of the Rosenberg Foundation, I don't believe I had any women as committee chairs. Well, yes, I guess Herma chaired the fiftieth anniversary planning committee. I can't remember, but at any rate, I think Rosenberg has never had any problems about having only a certain group provide the leadership. Best way I can say it. [laughter]
- Morris: How about in the corporate board positions?
- Luttgens: Well, I am chairing the compensation committee for PG&E this year, and they have never had a woman chair a committee before. I was very flattered when the CEO called and said he would like to ask me to do it. I've taken it seriously and tried to learn as much as I could about compensation practices, which are complicated in some ways.
- Morris: When you first went on corporate boards, was there a sense that some people felt a little awkward having a woman on the board?
- Luttgens: No, because I was the second woman. Dr. Roberta Fenlon had preceded me on the Pacific Telephone board. She had preceded me on the Crocker board also. I remember something Mary Metz said, since she has come on as the second woman on both PG&E and Telesis with me. She said she's very pleased to be the second woman, because what it says is that she isn't just the first by herself, but they see the value of women on the board and have gone beyond one--which is a nice thing to say.
- Morris: Well, that also, by implication, means that the first woman was a good experience.
- Luttgens: I think so, and I think that people don't understand in Arlene Daniels's book,* where she talked about the fact that my service

*Arlene Kaplan Daniels, *Invisible Careers: Women Civic Leaders from the Volunteer World*, Chicago: University of Chicago Press, 1988.

on a corporate board was seen as a token. I asked her why she said that? And she said, in her interviews, there were some of her interviewees who felt this way. My response is, they haven't served on a corporate board. They don't understand that once you become a member, you are a member of a family, and you bring certain skills, you make contributions, you participate, you share responsibility. You aren't there as a fifth cousin four times removed. You're there, and you jolly well better be participating in decisions, because legally, it is your responsibility. You have been elected by the shareholders to do that.

So, although it may be perceived as a token, I don't believe that's true. You become known. Your abilities are known, just as anybody else on the board. You know predictably what people are going to bring to the table and how they're going to participate.

Morris: Would it be your experience that, as a black person was brought on the board, and/or a Chicano or an Asian, that they, too, were fitted into the corporate culture, as it were?

Luttgens: To be selected, they have to demonstrate good judgment. They have to have visibility. They have to demonstrate some ability. Once that is accepted by the board, they're a member of a team. Surely, you need to be critical and look at things critically, but, on the other hand, you weren't there as just a separate entity that represents a group. I've made it quite clear that although I want to know the reactions, the feelings, of women in management (for example, in the corporations where I serve, because I've met with them), I am not going to simply represent them on the board.

Morris: In the nonprofit world, particularly at the small local chapter level, quite often the comment is heard that half the people on our board don't get to meetings and don't take a role. Therefore, they're not really participating in decisions. Does that occur at all in the corporate world?

Luttgens: There was one board member who I saw not be asked to continue, at one time. I never heard him make a contribution, in a very large corporate board. That's the only time that I have seen that happen, unless somebody has gone off the board for age or because of change in position, which is apt to happen. In other words, somebody who's on the board because he or she is chairman of something and no longer is chairman of that. It is

appropriate for that person to suggest that the original reason why he was brought on the board is no longer valid. Barbara White, as president of Mills College, went on the Bank of America board. When she left Mills, she went east, but she was no longer a director of the Bank of America, is my recollection. In other words, her position on the board had been because of her affiliation, but also she had moved.

Morris: B of A had a Mills College seat on its board?

Luttgens: No, but she was the only woman on the board, as I recall. Full member--there was a second woman who was a big rancher down south, whom I believe has also gone off the board. No, there was no Mills College seat. I think they were looking for somebody who was very visible and of a known quality.

Further Thoughts on Trustee Compensation

Morris: Does the fact that corporate board positions usually carry compensation make that something that people work harder at than being on a nonprofit board, which usually does not have compensation?

Luttgens: That's an interesting question. There may be some element of that. Certainly, you feel as if your retainer, in particular, is being paid to you for service to the corporation. And, as far as meeting fees are concerned, in most cases they aren't given if you don't attend a meeting. But the other thing is that the SEC requires that the corporation publish the number of meetings attended, and I would say, and I don't mean to skirt your question, but I think part of it is the legal responsibility that one has to the shareholder. There are a lot of shareholder suits, as you know. I have seen people who work just as hard at nonprofit activities.

But, you know, one thing you've raised is an interesting question, which is: where does the foundation fit in this, for those foundation trustees that are compensated? I happen to believe that foundation trustees should not be compensated. The reason I feel that way is that I see the foundation as a nonprofit entity. I see it as a tax-exempt entity, which is there because that money has been tax-exempt. Therefore, the trustee, in my mind, has a responsibility to the public.

I do not believe in trustees being paid. I hasten to say that the Johnson Foundation does pay its trustees a stipend for

attending meetings. I was not happy about that when I found out about it. I agreed to go on the board before I was told that. I have spoken out in board meetings about it. Money that is paid to trustees, to my mind, is not available for projects. It also clouds the issue of: are we staff for being paid, in my mind. It makes it more difficult to determine. If I'm working all day long on a Saturday at the Johnson Foundation in a board meeting, should I be paid for my time? I don't believe I should, and I believe that the attorney general's office is going to become very interested in the whole area of trustee compensation, as it relates back to tax-exempt money. I think it's a dangerous area, and I think we did talk a little bit about this before.

It's an area that foundation trustees should be very well aware of and, if they're going to continue to do it, be aware of the hazards that may be involved. As a matter of fact, right now, in San Antonio, there's a meeting on family foundations, and Susan Silk is leading a panel on ethics for trustees. It's just for trustees, as I recall. Maybe there are some staff people from family foundations there. She was going to mention this, in particular, because of the discussions we've been having at Northern California Grantmakers.

The second area is the discretionary money available to trustees. In other words, if I have two thousand dollars available for me from the Johnson Foundation, I can designate that that go to the San Francisco Education Fund, or the ballet, or whatever I want it to go to. That's the same thing, as far as I'm concerned. Why should I have a decision over that money, which was endowed by Mr. Johnson?

Morris: That's the first time I had heard about that. You mentioned it last time, and I was thinking that many foundations have an executive officers' discretionary fund.

Luttgens: Yes. That's quite different, because that's to facilitate the work of the foundation. This would be my personal interest, and I don't want to be lobbied by six organizations, frankly.

Morris: You're fortunate if it's only six, from what I understand.

Luttgens: Yes, and so I have some problems with that.

XXII ROSENBERG FOUNDATION REACHES FIFTY, 1985

Recent Board Members

- Morris: You mentioned Herma Hill Kay a few minutes ago. I was looking at the Rosenberg Foundation's fiftieth anniversary report before I came this morning, and there are a number of trustees, who've been appointed in the last ten years, that we haven't talked about. I wondered what kinds of things was the board looking for in making these selections?
- Luttgens: We've always been on the outlook for outstanding women. And there are Mary Metz, Phyllis Cook, Herma Hill Kay. Cruz Reynoso came on after Herman Gallegos had left--obviously, he was elected in '79. And, quite frankly, we talked to Herman about an outstanding person from the Hispanic community, and this was before Cruz was made a supreme court justice.
- Morris: Did he continue to serve while he was on the supreme court?
- Luttgens: Yes, he did, although it was a little difficult for him, because of time, but he did serve. As a matter of fact, he will be the next president of the foundation, probably, because we go in chronological order. He is currently vice president.
- Morris: Did it cause any problems for him or the foundation, when he was under attack in the 1986 election?
- Luttgens: No, I think we all were very sympathetic to the strain that he was under, but he has a wonderful sense of humor. We were courteous about it. We didn't bring it up and say, "How are you holding up," or anything of that sort, but obviously, it was hard for him, there's no question about it. We were very sympathetic to what was happening with him personally.

Morris: Was there any backwash on the foundation as a whole, from some of the people who were complaining about him?

Luttgens: No, not that I heard of.

Venture Capital Investment; Jim Gaither

Luttgens: Jim Gaither, of course, was the son of Rowan Gaither, and I remember talking to Jim. I guess we invited him to lunch to talk to us. He had just come back from Washington, as I recall, and had had that experience of being a White House fellow. Lew Butler had known him in that area, and Ruth, of course, had known the family--was close to his father and mother.

Morris: Is that Rowan that she worked with?

Luttgens: Yes. That was sort of a natural, and he was a wonderful contributing member. It was at his suggestion that we got involved in the venture capital fund, which I don't think we ever would have done before. We would have been scared to death to do it, and it's worked out very well for us. It's a small amount of the portfolio, but--

Morris: That is made available to nonprofits?

Luttgens: No, this was a venture capital fund that we bought into.

Morris: I see--as an investment.

Luttgens: As an investment. That's correct. Two venture capital funds, as a matter of fact. And fortunately, because the connection of some of our trustees with the Stanford board, those venture capital investment funds were willing to take us on, because we weren't making that large an investment. As a matter of fact, they were very pleased with the fact that the Rosenberg Foundation wanted to be part of the portfolio, which I thought was rather nice.

Morris: That is interesting. It's kind of a reverse switch.

Luttgens: Now we aren't getting the returns that Alvin Tarlov is getting with the Kaiser Family Foundation. It's not that aggressive, and we just sort of have a toe in the water. But, at the same time, it's worked out successfully. Jim was the one who, because of his Stanford board experience, was comfortable with that and suggested it to us. He and Peter Sloss and Kirke

really designed it, and our investment advisor now, Wentworth, Hauser & Violich, is receiving the stock when it's spun off and is sometimes selling and sometimes keeping it, depending on the particular company. I think it's been a good experience for Wentworth, as well.

Morris: To deal with a nonprofit customer.

Luttgens: Well, no, it's profit. The venture capital investment people are for-profit.

Morris: Right. I understand that, but I was wondering if they had many clients that were nonprofit organizations.

Luttgens: Oh, Wentworth has a lot, yes. I mean, they take care of the Johnson Foundation. In the past, they've done, I think, the total Mills College portfolio. Now they're just doing part of it. They have a number of not-for-profit.

Morris: Is Mr. Gaither a businessman by training?

Luttgens: He's an attorney, and he's now, as you know, the president of the Stanford board of trustees. As a matter of fact, I'm going to see him this afternoon. There's a major gifts committee, for Stanford, meeting in his offices. I think I mentioned this earlier, very early on--he left our foundation board because he became the managing partner of his law firm, and he felt he really had to cut back on his association with a lot of things. He was also on the Walter and Evelyn Haas Foundation board. He dropped off that. He dropped off the Rosenberg Foundation board. We all understood that. He stayed on Stanford.

He was called back in at the time that the Marin Community Foundation was starting and asked to be the chairman of that board and directed the beginnings of that Marin Community Foundation. Because he has integrity, because he's trusted by a number of factions that were critical of what was going on there. He may have gone off that board, now that he's completed his term as president, and they have staff and so forth.

Morris: He saw himself as the interim--provisional, almost--chairman of the start-up operation?

Luttgens: I believe so. I think he really did not want to take on anything more but was convinced that he could make a contribution, and he did.

Morris: On this side of the bay, was Mr. Gaither seen as a peacemaker-- a chairman who could provide some reconciliation for the rather troubled Buck Trust?

Luttgens: I think that and also somebody that could provide some leadership and get it started on a good basis. I think less a peacemaker than somebody who would get them going well, organizationally.

Morris: Was it the court that asked him to take the chairmanship?

Luttgens: I don't know where his appointment came from. That's a good question. I don't know.

Morris: Okay, who else haven't we talked about? Jing Lyman was there for just seven years.

Luttgens: Yes, until Dick went east. She was brought on at the suggestion of Caroline Charles, who suggested to the nominating committee that she might be a good person to bring on, and I think Jing really has felt--I know she said publicly that the foundation gave her an enormous insight into giving programs and broader. She had been focused on one or two things that she was very interested in. The foundation broadened her experience.

Morris: Had she been largely involved in things related to Stanford University?

Luttgens: Yes, but also she was very involved in the Mid-Peninsula Housing--whatever the title of that organization was, Mid-Peninsula Housing Coalition, I think--and also very involved in some women's issues in the Palo Alto area. There was an organization that was helping women to find appropriate jobs, and so forth. I forget the name of it, but it's still in existence. It's a good organization. She was involved in that.

Then Bob Goheen asked her to attend a meeting back at Wingspread, to discuss women and foundations. She then became president of that group, as you recall. The Women in Foundations/Corporate Philanthropy grew out of that first meeting in Wingspread, then went on to call a meeting of all the people interested in the subject at the Atlanta conference the following year, and I can't remember exactly what year that was. It was in that time span that she was on the Rosenberg Foundation board, so someplace between '73 and '79, probably about ten years ago. Then she was elected chairman of that group, and it gave her national visibility and continued to allow her to grow into other positions.

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Morris: Both members of the family were up to their ears in the foundation world, at that point.

Luttgens: That's right. As a matter of fact, she was much more involved than Dick was, at that point, but he was always very gracious about having meetings at Stanford for foundation people. I had the feeling she was there first.

Celebration and Renewed Commitment

Morris: The fiftieth anniversary foundation celebration--how long was that in the making?

Luttgens: Oh, a year. Really. Many meetings and many involved months. I don't know whether they list the committee for the fiftieth anniversary, but they went back to Lew Butler and Ruth Chance. They had a number of people who had been involved in the past, and it was really wonderful. It was a wonderful day, I must say, with very much a feeling of participation by all of the former grantees. The focus was on them, which was a very nice way to go about it.

Morris: It's remarkable. Have you come across other foundations who have, still, links with some of the same organizations after fifty years?

Luttgens: I really have not, but I'm sure that that is true. I notice that the Irvine Foundation's annual report this year cites their fiftieth anniversary, which surprised me. I hadn't realized they were that old, and it's a very nice edition of the annual report, if you haven't seen it yet. I don't see in there a physical coming-together or any sort of a social occasion, which we debated about. Was it appropriate to host all these people for lunch, and wine and cheese afterwards? It was absolutely marvelous.

Morris: Did the process of planning that involve any sort of general sense of where the foundation was after fifty years and where it might go?

Luttgens: That was part of the idea. Now, I was not a member of the planning committee, so I can't speak for them, but the morning talk was given by Jim Holliday, as you know, the former California Historical Society head. The afternoon talk was

given by Isabel Sawhill, and she was drawing on the demographic information she had as to children, poverty, all those figures. I heard her quoted again last Friday by Elizabeth Shore, who has written a book called *Within Our Reach* that's about poverty and families. That's Bel's forte. I had met her at an economic conference back at Arden House and was very impressed with her. So she was here, and that was really the forward look.

Then, of course, we broke into group discussions with all of the participants. They talked about the past, and then they talked about the future. On all sides, I thought it was outstanding. There was some criticism that Jim Holliday's talk was not as focused as some people would have liked, and it's one of the reasons that this report is as late as it is, he did go back and rewrite it and get it to us.* It took a while. As you could see in the responses, there were some who took exception to some of the things he had said, which is all right. That's healthy.

I think that there was some disappointment in his talk. I didn't happen to feel that way about it. I knew some of the personal things that were going on in his life. He had a brother who was dying of cancer that week. I talked with him the night before his talk and knew that he still was going back to his hotel room to do some more work on it. He wasn't quite satisfied with it himself. When you're in that state of mind, I think you're saying to yourself, "It isn't quite like I'd like it."

So I was very sympathetic to him and actually wrote him a little note afterwards, because he berated himself. When the panel responded to him, he was, in a way, very quiet. He was not going to respond back again. In a way, he was crushed. That was the one sour note, but it was because of his personal situation, is my feeling.

I thought, overall, the day was a great success. Lots of letters came in saying how successful it was. It was marvelous to bring some of these people together. Several of the people we met in San Diego were there. The people we met in the Valley were there and participating. It was a great day.

Morris: It's really very impressive how the continuity has stayed in those fifty-plus years, now, and in the changes that have come

**Fiftieth Anniversary Report [1985]*, Rosenberg Foundation, San Francisco, 1987. Copy in supporting documents.

about in the same fields of working with rural people and working with families and children and youth.

Luttgens: Yes, we were thinking about this, because I was asked to sit with Elizabeth Shore at lunch, and I made the comment that I was particularly interested in her subject.

I have not read her book, and I must get a copy of it. I mentioned to Betty--Kirke was not there; he was in the east. I guess I left a note for Kirke, saying that I thought that the foundation--if he hadn't read it--ought to get a copy and we could circulate it, because what she's talking about are some of the things that are working, as opposed to gloom and doom: we're all in poverty, we have these great pockets of poverty and nothing can be done about them. I found her comments very helpful.

Anyway, I said I was particularly interested because this was an area that the Rosenberg Foundation had adopted as a field of interest. Susan Silk, who was sitting between us, said to Elizabeth Shore, "But you have to realize that the Rosenberg Foundation has been serving the needs of youth and families for fifty years." I hadn't even thought to explain that to Elizabeth Shore. It certainly emerged in our yearlong look at what we wanted to be doing as an important area. That and trying to make some progress in the cultural difference area.

Morris: Cultural difference area?

Luttgens: Well, which means immigration--again, for children and families. How do you assimilate these enormous numbers of people who come from a different culture, a different language, and so on. I noticed in the Irvine report, they list that as one of their areas of interest. Certainly, Johnson is interested in some of those same kinds of subjects. They aren't quite as focused as Rosenberg is.

XXIII COMMUNITY INVOLVEMENT AND PUBLIC INFORMATION

Future of Foundations Conference

- Morris: I'm going to leap over, for a minute, to the Future of Foundations conference,* because somebody kindly sent me a copy of the Southern California--
- Luttgens: Association for Philanthropy. SCAP.
- Morris: Right, and this is kind of a thumbnail summary of what, I assume, was a much more intensive meeting.
- Luttgens: I have two copies of that, and I'm ashamed to say I haven't read it. It's in my "To Read" pile.
- Morris: As I say, it's a thumbnail summary, but again and again, there are references to cultural diversity and varying patterns of philanthropy and what sounds like an undercurrent of fairly serious concerns about whether or not these groups can get together and agree on community goals.
- Luttgens: Well, as I say, I have not read this, but I'm delighted that they're interesting themselves in this [viewing report].
- Luttgens: But they did put on a good program down there. They had John Van de Kamp. They had Jim Joseph. Gene Wilson is awfully good, of the people that I know. I don't know how many people they invite from up here, but they're always very nice about inviting me. I haven't been for years, but I do know Lon Burns and Jack Shakely, too. This is much more of a corporate-based group than we are up here, but they've got a good group of people, I must say, participating. That's all I know about it.

*See supporting documents for notes on this September 1986 Council on Foundations symposium held at Stanford.

Morris: Right. I was struck, when you mentioned the cultural diversity question, that both the cultural diversity and the importance of agreeing on some community goals seem to be what's in the air. I'm hearing it from various sources.

San Franciscans Seeking Consensus

Luttgens: Did you see the review of our San Franciscans Seeking Consensus in yesterday's paper?*

Morris: I did. I brought it.

Luttgens: I chatted with that reporter, because he had called and talked to me on the telephone early on. I guess his review was a little more cynical than I thought it would be, because he seemed very sympathetic when he was talking to me. I think we made some progress. The people who were in my section, when we broke up into those small groups, wanted to meet again in that particular group, because some of them had been to several of the conferences we had had before. They said they didn't want to start in all over again at ground zero with a whole new group, that we knew one another, that we could work from there.

Now, we did the easy part. We did the vision and the goals. We didn't do the strategies. But Bob Fisher from the San Francisco Foundation, who was in the group that I was in, made, I thought, a very good statement at the end of our little group session and then to the larger group, which was that we were all generalists. We weren't specialists, and what we needed now was to bring in somebody with some expertise who would develop some alternative strategies that we, then, as a lay group, could say, "Yes, we want to go with this," or "No, we don't," and bring them in in the three specific areas that we had been studying.

We happened to spend our whole goal time on education, because we went around the small group and that's what we were interested in. Some of the other groups did housing and jobs and employment. There was no way we could get to all three, but there was quite a bit of consensus on goals. It's the strategies that will be tough, I think. The other question that we brought up in our group and in the larger group: was it time to begin to start reaching out? In other words, as you

*"Citizen Group Works on the Future," Vlae Kershner, San Francisco Chronicle, 9 September 1988. Copy in supporting documents.

developed the possible strategies, should you also be going out and enlarging the group? There didn't seem to be any clear picture.

Morris: We were talking about the San Francisco 2000 meeting the other day.

Luttgens: Oh, and so one of the things that Bob suggested to our little group, not to the big group, was that he would entertain a proposal for funding for that kind of expert consultation, if we wanted to do it. I was afraid he was going to say this to the total group. I think it would be too bad to sound as if it was assured, because knowing the internal process, there will have to be some review of it internally, and there may be some people within his foundation that don't think it's that good an idea. But I think we may be getting somewhere, with the San Franciscans Seeking Consensus.

I'd like to see us change the name, if we could. It's a little ambitious. It's a little, sort of, pompous, in a way. And so if we can get back to the idea of goals--I noticed that somebody in the SCAP meeting was from Los Angeles 2000. If we could get back to that and work on that premise, I think it would be a lot clearer to people what we're doing.

Morris: Does this kind of a continuing process then feed back into information that's useful to Rosenberg, San Francisco, other foundations in the area?

Luttgens: I think from the standpoint of citizen participation and trying to achieve some of the things that both Rosenberg and San Francisco Foundation would like to see happen, like better education, more affordable housing, business and jobs--I think all of those things are part of what the foundations are all about. The overall thrust is certainly appropriate.

As far as information is concerned, I think it's the citizen process that's probably more important than the information. We know affordable housing is a terrible mess. There isn't any really affordable housing. That affects transportation, people getting back and forth to their jobs. We know that schools are doing a better job--I think, certainly, in San Francisco than they were in the past--but still not ideal, turning out kids who read, write, reason, and have the skills to get a job. So the whole thing keeps going around. I mean, there is an interdependence. Vlae Kershner brought up in his article something about the interdependence, that we were using terms that were--he didn't use the word "trendy," but that belonged to a particular milieu. Well, they are interdependent. He gave it an aura of sort of a cultural rebirth.

Morris: Well, it was kind of a put-down, too. Their own version of the harmonic convergence. It was a different kind of a tone than the previous article.

Luttgens: Yes, I was a little surprised, having met him and the fact that he spent all day with us and people were very nice to him, and it was rather unusual to have a reporter be part of that whole process. I was a little surprised that he came out with that cynical view of what had gone on.

Media Coverage

Morris: It raises the question of public information in general, in relation to philanthropic ventures.

Luttgens: I'm glad you raised that as a question. That's something that a number of us have talked about for a year, or almost two. When Kitty Teltsch was out here a year or so ago, talking with the Northern California Foundation group, one of the questions that we asked her was, "How do you develop within the reporting milieu an understanding of philanthropy?" She really has the philanthropic beat on the *New York Times*, and is it David Johnston who is still with the *L.A. Times*, but I think he's had his beat changed. Or maybe he's gone from the *L.A. Times*. Anyway, he had mostly the philanthropic stories.

They began to develop an understanding of the actors. They can call people up and ask for comments and have some feeling of trust with them. They understand what's happening. I don't mean a whitewash of what's going on. I mean a body of knowledge. We had hoped when David Dietz did his article for the *San Francisco Chronicle*--because he spent two or three months talking to foundation people before he did that long piece--we thought, "This may be somebody who's going to be assigned to cover this area." But having read the article, again, it was a prickly kind of article, pointing out the things that were wrong in the field of philanthropy, instead of some of the positives, it seemed to me. He doesn't seem to have that assignment.

Now, this Vlae Kershner came because somebody talked to the powers-that-be at the *Chronicle* and suggested that it might be of interest to them to assign somebody to follow this particular effort. But the hope would be that there would be somebody that would care enough, who could spend enough time with, build up a trust with, and still could raise critical questions--I don't

think that's the point--but would have some understanding of this area which is supposed to be so mysterious, and then everybody leaps in and says, "But you're making all these decisions behind closed doors." Kitty had said--we asked her this question,--"Invite a reporter to your board meeting. Let them see what the process is."

Morris: Of the San Francisco Foundation or of the Rosenberg Foundation, for instance?

Luttgens: Yes. The Ploughshares Fund did invite Kitty to one of their board meetings in New York, when they were meeting there, and she didn't come. I don't know if something else came up, and of course that's always the excuse the reporter has, if you lean over backwards to say, "Would you like to come?"

We've invited reporters. As a matter of fact, we had Walter Blum, who covered the first open meeting the foundations had with grantees, because I remember he wrote it up afterwards. I still have the clipping somewhere. He described me as a little woman with a, I don't think he said, "neat nose," but something that was pretty close to that. Now, you know, I don't know what that means. He could just have described, and he did describe, what was going on, but he had to have something like that to hang it on. He gave, I thought, quite an objective appraisal of that meeting, which started out with a panel and then broke into smaller groups. It was down at Fort Mason and was very widely attended.

NCG has had a series of open meetings with grantees. I believe last year they had four meetings--two in San Francisco because there were so many grantees to be accommodated, one in the East Bay, and one down the Peninsula. I'm not sure that the press was invited to attend those, but I think if anybody had asked to come, they would have been cleared for that.

Openness to Grantees

Morris: I remember Kirke mentioning, a year or so ago, that he was in Sacramento doing a workshop, and there were something like eighty-five organizations there. That seems incredible, in terms of organizations' interest in knowing more. You would think that eighty-five organizations doing anything would be an interesting news story. Maybe not front page, but certainly a feature about what is bringing these people out, and what is it that they're looking for?

Luttgens: Well, the thing that interests me about it, Gaby, is the openness between foundations and grantees. From the time that I've been involved in the foundation world, when I first came into it, there was always a feeling of, "Well, we're going to make our decisions on our own," from the foundations' standpoint. Now Rosenberg has always had a very good relationship with grantees, and I believe Johnson has, too. They've been honest, they've responded quickly. All those things that the principles and practices suggest you do: answer your mail, answer your phone calls, and so forth.

But I sense much more of the foundation community leaning over backwards to help grantees, number one, understand what their policies are, how to apply, how to use, for example, the Foundation Center Library. Those meetings that they have there, I think, are excellent for grantees who meet with one or two foundation people, so that there is an openness back and forth. The larger open meetings with trustees, which were really pioneered by the Bush Foundation in the Midwest and some others, I think, are all much more of an open relationship.

Now, I may have mentioned this on an earlier tape, but Pablo Eisenberg down at that Future of Foundations meeting, said, "Talk to grantees. Make them part of your decisionmaking process when you're deciding where to go in your policies, because they know where the problems are." A couple of times at Rosenberg, we have invited in, for lunch and a two-hour discussion following; nonprofit people in a particular field that we were interested in. I remember one in particular that we did with the Children and the Law. There were two or three grantees, and they talked to us about what they saw happening, where the needs were occurring, where the trends were. That's really the kind of thing Pablo was talking about, I believe. Not a "we know what's best for you," sort of attitude, "so we're going to fund that and that," but, "help us decide where the needs are and where they are developing."

Morris: Is the public, then, that one is wanting to establish contact with--is it the other parts of the not-for-profit world, the potential grantees, and other donors? Or does the world of philanthropy really care about the average Joe who reads the newspaper and is mostly interested in sports scores?

Luttgens: Two different levels. In other words, I think the average Joe probably couldn't care less, until he sees that there's been some money in Marin County that's being taken away, and then he's aroused. Or until he hears about the Season of Sharing through the *Chronicle*. I mean, that's been an enormous success. That's an appeal to the individual citizen, and I am very

heartened by that, because that says to me that the individual citizen is willing to give if he or she is touched by something that is read about. So that's one level.

The other level is the seeking of funds by an agency that needs money, and that's a much more informed level, because hopefully they've tried a few places to get money, and they have some knowledge about it. There are two different levels you've identified. You're quite right. One would, I think, be very affected by the media. It's the example of Gennady Alferenko in Russia that I mentioned to you, who had a column in *Komsmelskaya Pravda* which told about a need, "Money for Ideas," and the Russian people were giving rubles, where there was no tax deduction at all.

Morris: You mentioned the Season of Sharing. The public information aspect probably would be important, too, at the United Way-type level.

Luttgens: Yes, and there's always been this tradition of discussion. Why aren't we getting stories all year long about how wonderful the agencies are in keeping people afloat? People have struggled with that--the public relations people at United Way--for years and years, and the newspapers don't seem to be interested in it, nor do they give credit, necessarily. How many times have you seen that an agency is giving help, and that agency is a United Way agency? That isn't part of the story.

Again, it's the role of the intermediary, whether it be the Business Leadership Task Force, or the San Francisco Education Fund, or United Way. Those are all ways to funnel either money or expertise into the end result, the end need. Paul Ylvisaker mentions that in his *Foundation News* article, when he talks about the differences that have occurred, which struck me very much in the vein of your discussion of what changes do you see? It's moving from the individual to the institutionalized, with an intermediary. You could call the foundation an intermediary, in a way, because it has staff. It has trustees. Somewhere it has an endowment, which was the original giving program. Paul mentions that in his article.

Broadening Decisionmaking

Morris: He also gave a paper at the Future of Foundations conference. He, too, was talking about the need for broader discussion of public needs, and the focus of the paper was on democratization

of nonprofits. Is that another way of talking about what you've been saying about broadening of the internal decisionmaking process?

Luttgens: I'd have to go back and reread that paper, Gaby, to know what he specifically meant by that. If I could just think aloud on it, I would say yes, that you needed a lot of democracy on nonprofit boards, certainly. You need all kinds of people, I believe, and to use the kinds of experience that they bring to that board table for the purposes of the organization. I guess I'd just say, parenthetically, you don't belong on a nonprofit board if you aren't going to attend meetings. We mentioned that earlier, because by the new California law, you're just as responsible for decisions as if you were there, and although we haven't seen a lot of nonprofits being sued, it could be, depending on what area they're in. I don't know what Paul was referring to specifically, but, as I say, I'd have to read it again.

Morris: Was that the first conference of its kind that had been held on the West Coast?

Luttgens: Yes. It was the first one of its kind held nationally, and then they had some others that were held in other places. They did have national representation. It was invitational, which meant that there was a mix of staff, and trustees, and national figures. Irving Harris was there from the Beethoven Project in Chicago. What he's done with his projects is really amazing, as you probably know. He's not local, but he'd be an interesting person for you to interview.

United Way Adjustments##

Morris: Is there any more we need to say about the United Way oversight committee and the kinds of things it's been looking at in the last few years?

Luttgens: No, I think as we said earlier in the United Way area, it is no longer the oversight committee. It has been absorbed, as I believe it should be, by the board and the executive committee. They, in essence, had a workshop, or a retreat--whatever you want to call it--this year, in which they talked about where they ought to be going, what they could afford, given the fact that the campaign still doesn't raise as much as it should to provide for all the needs that they would like to address. In a way, that was the purpose of the oversight committee, originally. It was, where should we be going? Where should our

emphasis be? I think the board has now taken over that function, so I don't worry that the committee has just disappeared.

I think it's an important thing for United Way to do, from time to time--to look at its program and see how it needs to be adjusted. If you read now about what they're doing, they are serving some very needy populations that they weren't serving in the past, so I think that's all very healthy. But they're going to have to raise fifty-one million dollars, as I understand, their campaign goal this year. It's going to be tough.

Morris: It's interesting that the number of foundations has increased noticeably in the last fifteen years, although according to the council meetings, the rate of formation of foundations seems to be down.

Luttgens: And they're smaller foundations, as I recall. Part of that was in Terry Odendall's report, too, I believe. Or maybe Elizabeth Boris at the council had extrapolated that. But the chief difference, as I understand it, is that many of the foundations are occurring after the death of the donor, the Packard Foundation being an exception, so that no additional money is added, and the only way you can increase the size of the foundation is by investing well. I could be wrong.

Within the last year since that meeting took place, it may be that there are a lot more foundations established, but it's my impression that the ones that are being established are smallish ones. Although I gather there's a very large foundation in the Bay Area, San Ramon, the Wayne and Gladys Valley Foundation, developing. It's somebody's name. It is in the works. I don't know whether it's the result of an endowment, or much about it.

Morris: You contrast that with United Way. There's a slight increment, but they never seem to make the kind of breakthrough in raising money that they talk about.

Luttgens: That's one of the reasons that United Way, nationally and locally, is pursuing so vigorously the whole endowment idea, which has community foundations incensed, because they see that as their purview. That discussion has been going on for fifteen years, but United Way feels that it must pursue it, and is, and it makes for a sore feeling.

Morris: You get the sense that United Way has less of a market share, if I may use that phrase, in terms of the picture of available philanthropic resources and decisionmakers than they once had.

Luttgens: Well, you've got to describe that a little bit more.

Morris: There used to be United Way, or Community Chest, and a few foundations. United Way has stayed in about the same position, while corporate foundation and corporate giving have increased, the number of foundations have increased.

Luttgens: I would agree with all of that, yes. Plus the fact that there is a strengthening in the structural part of the foundation world. Although United Way is a member of the Northern California Grantmakers, as we discussed earlier, and Joe Valentine has been serving on the board of directors of the Northern California Grantmakers, there's a much stronger structure there for Northern California Grantmakers. The foundations come together in meetings. They explore particular problem areas, and, in many cases, these dovetail into United Way's interests, like the homeless task force, or child care, or AIDS, I guess. They're a much stronger component of the resources that are available in the community, I believe.

XXIV FUTURE OF PHILANTHROPY

Major Changes in Recent Years

Morris: That's, maybe, a good jumping-off place for the kind of thing I asked you last week, if you would give some thought to what you see as the major changes that have occurred in the years since you've been participating in the philanthropic world, and where you see it going.

Luttgens: Well, certainly, the foundations used to provide seed money for new organizations--new ideas which, after two or three years, maybe four years, could be passed on to a United Way or to a government program. That's the major difference that I see, as far as roles are concerned. Now there may be a collaborative arrangement with United Way without a passing-on of a particular responsibility, problem-solving for foundations and United Ways together, and perhaps, with individual citizen participation. Businesses are involved in that, because corporate foundations are involved as well. There's more of a collaborative way of operating, as opposed to a pass-on, with a discrete responsibility forever and ever.

The other thing I would mention again is intermediates--and I'll use the example of the San Francisco Education Fund--where the issues are large, and they need expertise and familiarity with a system. If there is an intermediary that is trusted by the donors, whether they be foundations, corporations, even United Way, then they could tap into the knowledge of the intermediary. It will take a little bit of money, not much, for administrative reasons, but will save in staff time enormously and in developing or hiring somebody with that particular expertise. Now that's a tricky area, and it has to be done well, I think, but where it is done well, it can be very valuable. It means keeping the trust of the institution, the school system or whatever, and the trust of the donors and

working with agencies, and so forth. It does require a lot of citizen involvement, which I think is good, so I guess those are two ways in which I see change occurring.

The third is one we've also discussed before, and that is that I think that foundations are going to be scrutinized a lot more carefully, particularly where a controversial issue arises, whether it be registering voters, or whether it be the purpose of a fund where there is a second-guessing element by people who feel that the fund wasn't used in the way that it should have been used. There's a lot of ferment in the government legal arena to seek any way of getting additional revenue that has been exempt before. I think that all of that points toward a climate of caution, as far as the foundations are concerned, to make sure that they are operating within the law and are perceived as doing such. I think it's the perception, as frequently as not.

I think there's a great future for foundations. I think there are all kinds of things that foundations can continue to do, even given the constraints of the immediate situation.

Morris: Well, those constraints have been there before.

Luttgens: That's right, and it's a question of where the constraints are this time. They may be the same, or there may be some additional ones, or there may be some new challengers.

Morris: Do you think the problems are more serious or more difficult of solution than they were twenty years ago?

Luttgens: I think these things go in cycles, and I think that there are a lot of external things in the climate that may cause difficulties, but that says to me that foundations--their staff and trustees--need to operate in the best possible manner and in a way that is appropriate and thoughtful, and reviewing programs from time to time to make sure they're meeting needs, which is why I think they're established in the first place.

I'm not sure whether they're any more serious or not, but there was a lot of interest in '69. There's no question about it. I think the spotlight may be coming around again. I served on the long-range planning committee for the Council on Foundations two or three years ago, and there were foundation people we met with across the country, who would just as soon not have any light shed on what they were doing, just for this reason. In other words, foundation people who said, "We don't want to have any publicity." One of the major things that came out of those meetings was that we need a greater understanding

by the public of what it is we're doing, and there were elements in the foundation community that said, "No, no. We don't want any more knowledge, because it'll just stir up controversy."

Morris: And "more people wanting our money."

Luttgens: Not only that, but second-guessing as to where it's going.

Morris: Is there a parallel, again, with the corporate world, that some corporations have people like Cornell Maier at the head, who is out there looking for ways to work with the community, and there are other corporations that don't want the government telling them what to do, and don't want the stockholders telling them what to do, and don't want anybody inside the plant gates?

Luttgens: Well, that's true, but it seems to me, from my experience, having worked with the leadership in the major corporations, that that has changed, too, as we talked earlier--that there is much more of an understanding of community responsibility, social responsibility, in corporate leadership. You have to have a viable corporation, to be able to make some contributions both in money and the time of your employees. That's part of it. I think that's part of what goes into all major corporate thinking now. The small business has a problem. It's in that middle-sized area that there is a real problem, because they can't afford either the time to learn about problems, or the financial contributions.

Morris: In older times, it was the guy who ran the small business in the small town who sponsored the baseball team and did his turn on the school board, and on the hospital board.

Luttgens: Yes, and I think that that still is true. On the Private Industry Council, we have three members, which I didn't realize until I had lunch with one of them last week, who are heads of small business architectural firms. They're seeking jobs from the big businesses, but they're in there, putting in time, serving on the Private Industry Council in areas that they're interested in, such as youth employment and that kind of thing. And United Way is trying to reach those middle-sized and smaller businesses. As you read the newspapers, you also see that that's supposed to be the solution for the growing of business, to encourage the small businesses. They're part of the warp and the woof, I think, of the whole society.

Morris: What we're sort of working around to is a working discussion of what philanthropy means at the end of the twentieth century. What I find, in thinking about this project and talking to people about philanthropy as it's now practiced by people like

yourself and the people we've been talking about, is that it's very hard to nail down what it is.

Luttgens: I would say it's the giving of time and money to support needed efforts to make a community more healthy, and to encourage others to do so, and to make the whole experience something that isn't a chore but is valued. I think all those things go into it. I could look it up in Webster's Dictionary, and I'm sure I've used that.

That's a very high-minded statement, but actually, we all benefit from a better community. So rather than sounding as if it's Lady Bountiful, or Lord Bountiful, I think it's all to our own interest, as it is to businesses' interest, to contribute to a healthy community. I don't think that's going to go away. That's been with us, as you mentioned earlier, from the beginning. People pitched in to work, coming back to de Tocqueville. That's going to go on.

Encouraging Young Volunteers

Luttgens: The interesting thing is to see how you can make that mean something to people who are so busy with careers or something else. I've watched my daughter, for example, who doesn't have any time at all from what I can figure out, but she served on the Visiting Nurse Association board in southern California. And because it was close to what she was doing in her work in the hospital, she saw the value of it. She got impatient with the group process, but she stuck with it through her term and, I think, finally went off. When she did work as a volunteer, she selected things where I had not been involved, which was fine. She worked for Planned Parenthood here in San Francisco. They were things that she was interested in, where she felt she could make a contribution.

Now, it seems to me we need to reach her whole generation of the thirty-year-olds and younger, and that would be my hope in this expansion of the Independent Sector program, that we would begin to reach a whole different group of people, who would take off with it and run in ways that interest them and not expect to be either directed by, or even advised by, our generation. We're going to continue to do things, but I think that they need to adopt--and many of them have already--they've brought themselves together.

There's a young group that has been working out of the investment community, as I understand it. They talked to me a long time ago, when they first started out, and they come and go. The mobility is great, because they get transferred someplace else, but they continue to adopt projects, do work on them, have fun; which is part of it. There is a social aspect to it, where they get together.

Morris: And this is a spin-off of an investment group?

Luttgens: No, they come out of the investment community. They're young people who, in the east perhaps, had some courses, for example, at the Yale school, where they had some exposure to the need for community responsibility. They carried that into their day-to-day jobs but have added on something. Many corporations are urging their employees to work at community jobs. As a matter of fact, that letter that was on my front door is from Bob Choate, who is writing a letter to some of the corporations here, asking them for a letter of endorsement for the principle of his project, which is to involve college students in community service.

As a matter of fact, there is an office on the UC campus. There's an office at San Francisco State. I think we talked about this. There's a superb office at Stanford, where students are matched with community service jobs and develop projects in public service. Don Kennedy was interested in this before Vasconcellos ever introduced the bill. It's a bill that's a year old that went through the California legislature that would have mandated community service by every student who attended either the UC system or the state system. It has been enacted, but they took out the mandation.

Morris: Yes, I think it relates to if you get a student loan, perhaps.

Luttgens: Oh, really? I haven't seen that. Bob would know about that, because he fought to get the mandatory aspect out, because that is not healthy. Unfortunately, when the governor signed the bill, he also did not sign the funding for it, which was a small amount. I think it was a hundred and forty thousand dollars, but it would have helped to establish centers on campuses where there weren't any. I think we talked about this, because I did the main speech for Bob down at Stanford a year ago August on this, and we had a lot of community agencies there.

Morris: You mentioned the Yale program. Is that the Program on Nonprofit Organizations?

Luttgens: No, it's the School of Organization and Management at Yale, with a section devoted to nonprofits. The Program on Nonprofit Organizations has no students and is headed by John Simon, also at Yale.

Morris: Is there any research information coming out of the Yale program that has filtered out and been of use to the working trustee?

Luttgens: I think we're still looking for something there. As I recall, something has come out, but it's been years and years now, and I'm beginning to wonder whether it's all being kept inside in files, or whether we're ever going to see it.

Morris: That's too bad. They put out a great flock of reports some years ago.

Luttgens: I really don't know the answer to that. I know we funded something from Rosenberg there a couple of years ago. I don't know whether we've ever seen a result, but maybe Kirke has. I don't know. Anyway, I think that's the other piece for the future. I think there has to be a way to make this an area of interest for young people, and I don't see why it shouldn't be.

Morris: Professionally, you mean.

Luttgens: Professionally, yes. It can either be done through the place where they work or through some sort of a social arrangement, but it needs to be there, and my feeling is it probably is. I'm not plugged in that close to it.

Professionalization

Morris: Is it a plus or a minus that the field has become more professionalized--both foundation staff and community agencies?

Luttgens: Well, there are a great many people that want to get into the foundation world. I must get three questions a month from people who would either like to talk to me or see if there can be a suggestion made. There has been one meeting that the Northern California Grantmakers put on that was an open meeting for people who were interested in getting into the foundation world, but I guess the point of what I'm trying to say is that people still are coming from everywhere.

There isn't any Foundation 101 course that you can take that'll qualify you for the job, or a graduate degree, although,

as you know, the University of San Francisco has an Institute for Nonprofit Management, and they're popping up all over the country now. I met with somebody last week who is leaving advertising at age fifty-seven and is wanting to put his skills in a nonprofit or a foundation arena. One of the questions he asked me was, should he take a course at USF? I told him that I felt that that Institute of Non-Profit Management was more for people who were already in the field, who wanted to upgrade or enlarge their skills, than somebody who was looking for a job. Now I could be wrong about that. I suggested he talk to the head of the school, but I think it is less to provide a qualifying credential than it is to assist in enlarging or upgrading skills of someone who's already there. And it may be that something like that would be of help to him, but I think he's more interested in getting a job than he is in taking a year's course and then trying to get a job, unless he could get the job and say he's taking the course at the same time.

It's another interesting phenomenon of what's happening in the field--a school of nonprofit management. They don't know quite what kind of degree to give, you see. They don't know whether to give an MBA kind of degree, a public policy degree, a social work degree. Seriously--there was a lot of time spent talking about that with the president of Carnegie-Mellon at the conference I attended a year ago at the USF Institute.

Morris: Maybe it doesn't need to be that specialized.

Luttgens: Well, that's the question. Should it be a part of a business school degree? Should it be a part of a public policy degree? There's controversy about that. The interesting thing, to me, was that they only had a couple of people who were real practitioners, and that was my only criticism.

Morris: In the teaching part of the program?

Luttgens: No, in the conference that we attended, where the papers that we read were two inches thick, and a book is now being published as a result of the conference. I don't mean to sound that critical. It was a useful conference to attend. It's just that the focus was pretty much from an academic standpoint, whereas the end result, it seemed to me, was in the context of the practical.

Morris: Of management issues.

Luttgens: Exactly. They had outstanding people, but one of the practitioners' paper was one that I liked the best. He spoke both from the standpoint of what works, what's needed, not

something that was theoretical, and yet was enough in academia to give it that--

Morris: Some intellectual depth. Big order, but an absolutely fascinating field.

Women's Organizations

Morris: When you were talking about the need to involve more people and younger people--does that have any implications for the Junior League, where we started this discussion a couple of months ago?

Luttgens: The last provisional class must have been a hundred and fifty people. When I joined the league, it was something like twenty-five in the class. Not only that, they have league sponsors who agree to--if somebody wants to apply to the Junior League with no internal sponsorship--sponsor one of those people. Again, it's a much more open process than it ever was before. Serving on the Association of Junior Leagues awards committee, I think we talked on tape about the fact that they are trying to move from a white middle- or upper-class group to much more diversity, from the standpoint of ethnicity. I don't know about income. That may still pertain, because to be able to do some volunteer work--well, even that's changing. If you're a professional, you're earning enough to provide for yourself, and you want to give time, absolutely.

Morris: I wonder if there would be some competition with some of the black sorority groups. who do a lot of community volunteer projects.

Luttgens: I don't know, but several of us met with the League of Women Voters last year. They are in the process of a long-range planning process here in San Francisco, and one of the things that struck us was that they should look at their membership. Their membership is getting older. They aren't attracting young people, and they're very limited in the ethnic representation. That was the place where we thought they could link with one of the black sororities.

Morris: I can't thank you enough for all the time that you spent exploring the steps of your own career in philanthropy.

Luttgens: Well, I hope you got what you wanted. I think it's going to be horrendous to do the editing, because I think I have been very

candid. There are some places, when I realize it's going to be written, that I may want to take out something.

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